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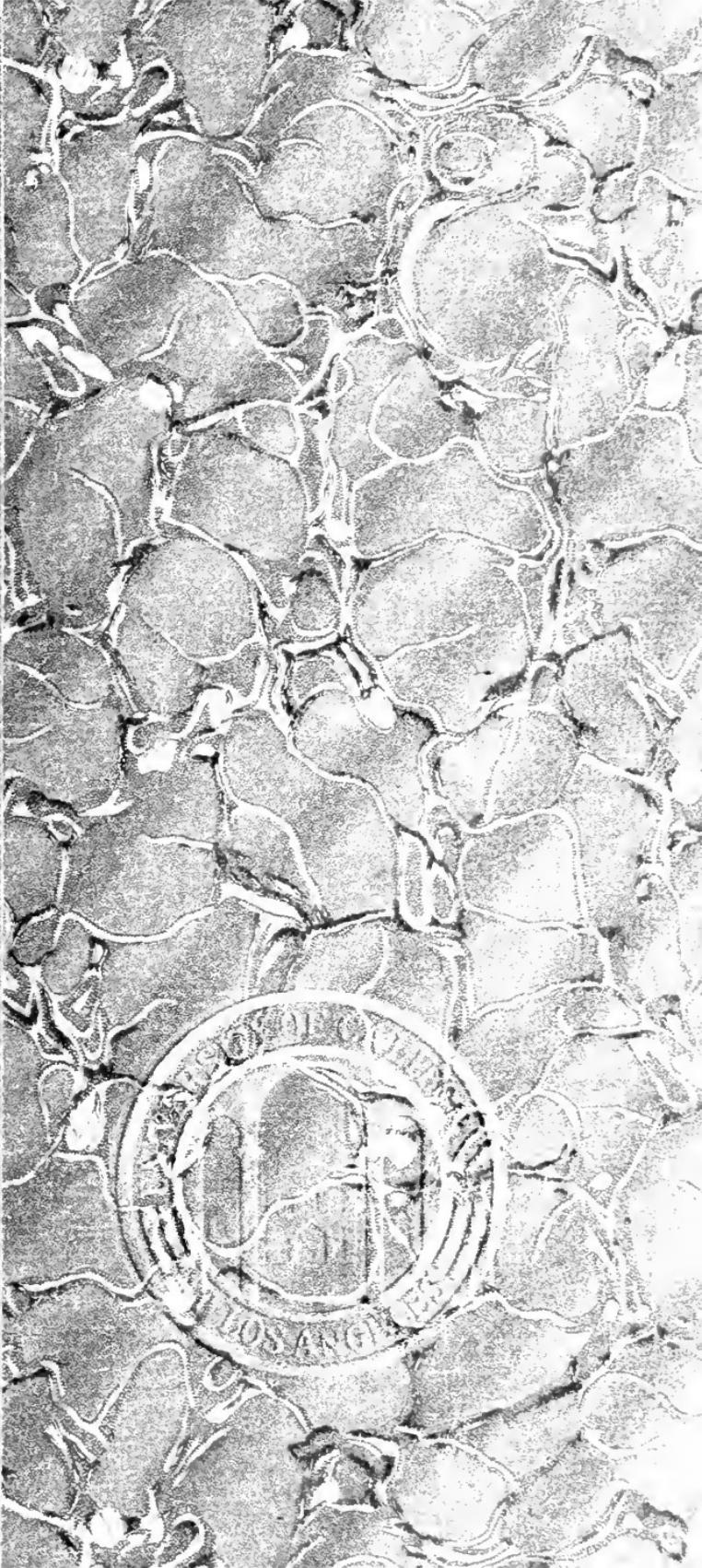
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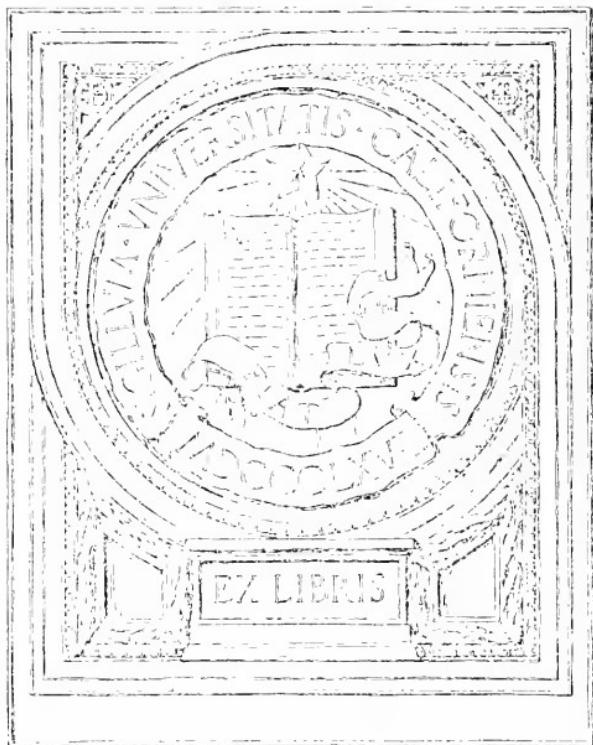


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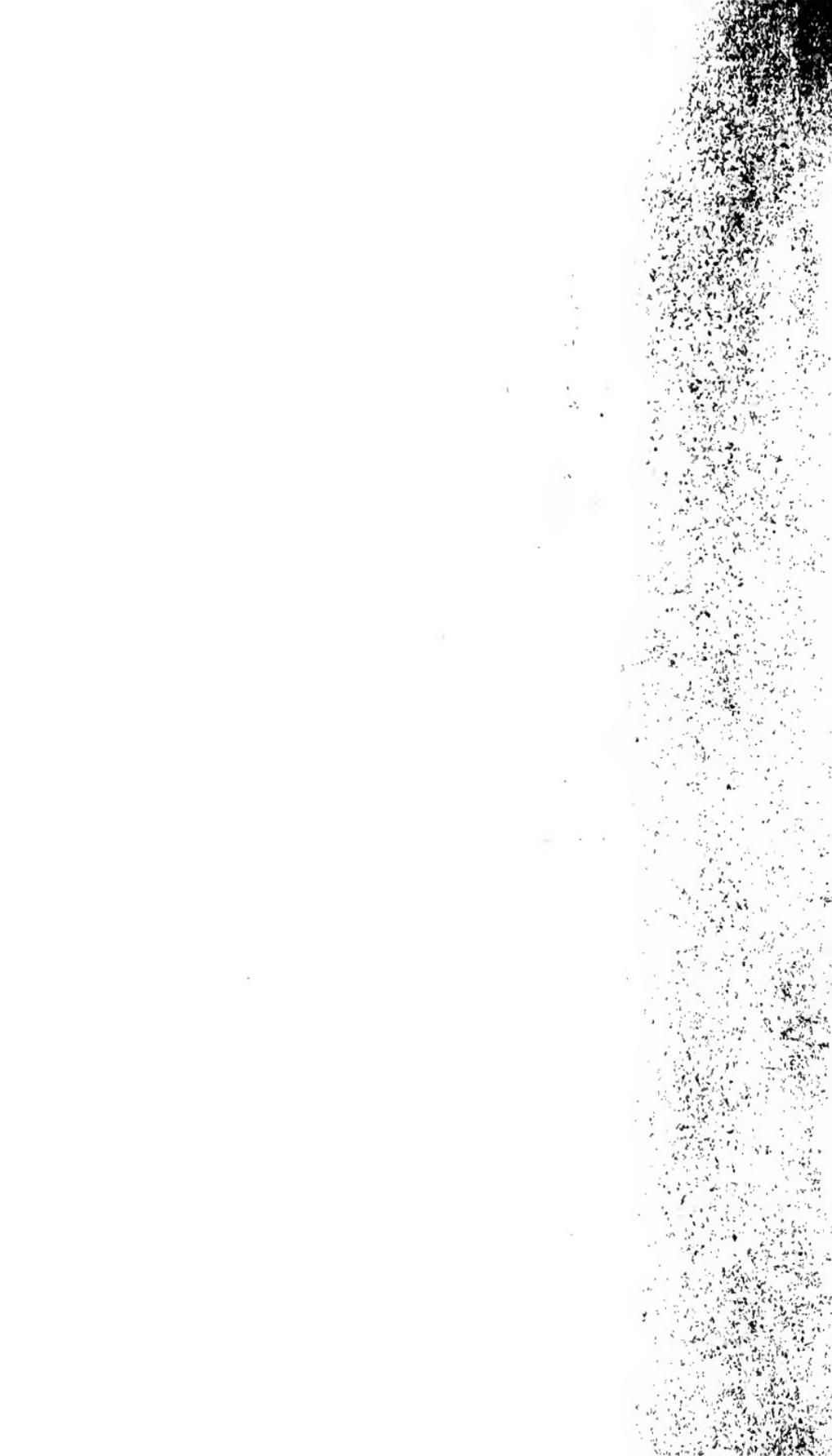
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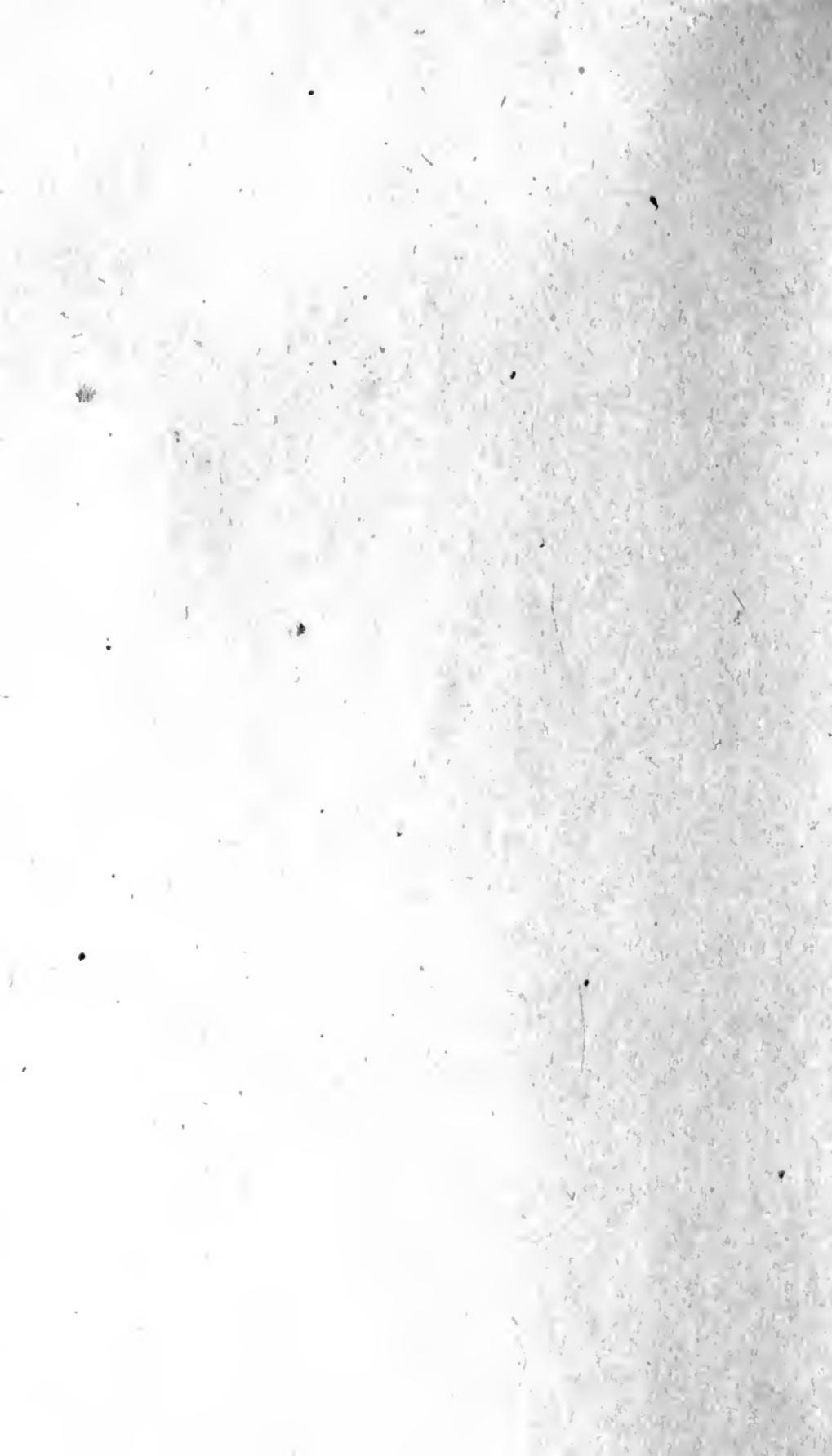


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State of the Nation

1849



THE

STATE OF THE NATION,

CONSIDERED WITH REFERENCE

TO THE CONDITION

OF

THE WORKING-CLASSES.

BY JAMES SPENSER TOWNSEND, M.A., F.R.S.

EDITOR OF "THE SPECTATOR," "THE INDEPENDENT," &c.

AND OF "THE LONDON JOURNAL."

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1849.

АМЯОЧИАО ГО МИМО
ЗИЛЮМА ЗОЈТА
УРАЯМУ

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ON

THE STATE OF THE NATION,

AS THE WORKING-CLASSES ARE THEREBY AFFECTED.

SINCE the peace of 1815, our export and home trade have alike been greatly extended, in a ratio exceeding the increase in our numbers; and upwards of four hundred millions of hoarded labour have, since then, been added to the capital of the country in money value. Yet the burthen of our great national debt seems to press more and more heavily upon us from time to time; and we appear to have, almost in each succeeding year, an increased difficulty in raising a revenue sufficient for the payment of the interest of our debt, and the expenditure of the government. Such untoward results must doubtless have proceeded from various combined causes; but our present object is merely to show the operation of the two principal in producing much distress, and suffering, amongst large masses of the working-classes.

Before entering upon the consideration of these two

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main causes of our present difficulties, it may be well to advert to the formation of railways, as one ground of temporary trouble.

The formation of railways is the creation of additional fixed securities, held in shares; and as the market prices of goods are lowered by superabundant imports, so also the prices of railway shares must decline, according as the lines are extended beyond the amount of capital available for holding them. And there has been a great delusion with regard to the surplus earnings of the people, as available for the holding of shares.

The amended returns for 1847 are not yet published; we have only the annual papers laid before Parliament, which show the uncorrected details of the chief articles; the grand totals are not yet given. But it would appear from a comparison of the public returns for 1815 with those of 1845, that there had been added, on the average of the thirty years, at least 13,700,000*l.* annually to the capital of the nation. Still there has been no addition made to it in *money value* since 1836; and all the increase must have taken place in the previous twenty years, or at the rate of 20,550,000*l.* annually. Unquestionably many individuals have, since 1836, hoarded much of their earnings; whilst our population has increased fifteen per cent. since then, and we have had in addition the products of their labour. Still, on the other hand, our banking and trade measures have tended to reduce our scale of market prices; and, although the augmentation in the *working value* of the capital of the nation since 1815 may have proceeded in a greater ratio, yet

the addition made to it in *money value* has only been as above stated, at the reduced prices of 1845 ; and since then there has been a further reduction in them.

There has been no increase made to the capital of the nation, whilst we have been so extensively engaged in the formation of railways ; and, as a necessary consequence, we have seen that, as the calls fell due, parties found themselves compelled to sell their shares of the paid-up lines, and other fixed securities, or else to withdraw capital from trade ; whereby the prices of all fixed securities and of goods have been reduced ; but those of the railway shares the most, as appearing, at present, the least likely to be productive. We have seen the same disastrous effects produced in Prussia, Austria, and France, as were experienced here last year and in the year before, in consequence of the large withdrawal of capital from its usual channels of employment. There was a serious decline in commercial prices throughout Europe, to the great injury of trade, causing loss of employment to the working-classes ; and this, amongst other causes, has tended to produce excitement on the Continent.

Let us now take a review of the amounts which were taken in former years out of the money sum of the produce of the labour of the people ; as thereby we may be better enabled to judge of the effects produced by the abstraction of capital for the formation of railways.

There were taken in taxes, for loans, and for funding exchequer bills 107,891,000*l.* in 1813 ; 105,152,000*l.* in 1814 ; and 92,312,000*l.* in 1815.

In all, 305,355,000*l.** for the three years. These were the nett sums taken, the expenses of collection being first deducted, as affording incomes to individuals. And there were taken in taxes, for forming railways, and for the Irish loan, 64,368,000*l.* in 1845; 82,986,000*l.* in 1846; and 105,939,000 in 1847. In all, 253,293,000*l.* These are also the nett sums taken; one-fifth being deducted, according to the plan of the Railway Board, as the purchase-money of the land (the exchange of one fixed security for another) and for the Parliamentary expenses. And the amount for 1847 is an estimate, the Board not having given the whole expenditure for the year, but only for the first six months.

Out of the 305,355,000*l.* taken in the first three years, there were 32,354,000*l.* sent abroad as foreign subsidies, independent of the provision then made for the wants of our army on the Continent; for the most part lost to us in the markets of the country; whilst of the 253,293,000*l.* the whole was expended in the nation, and amongst ourselves. The amount taken of the French loan in 1815 with British capital, may or may not be an equivalent for the sum of the instalments paid on foreign loans for the three years ending 1847. The amount of neither of them can ever be accurately ascertained; we only know from the Committee of Secrecy in 1819, that upwards of four millions of sovereigns found their way into the Bank of France, in the brief space of a few months in 1815.

The population of the three kingdoms was 18,547,720

* See Parliamentary Paper, No. 519, Session 1828, and also Marshall's Tables.

souls in 1811, and 26,826,089 in 1841, an increase of 44½ per cent. in the thirty years. And, at the same ratio of 1½ per cent. annual increase, the population in 1847 would be 29,240,436, against 19,760,583 in 1815, an increase of nearly 50 per cent.

Although the population had increased so much, yet, relatively to our numbers, the quantity of foreign wheat and flour entered for consumption in the ten years previous to 1841 was not much larger, than the entries for the ten years previous to 1811; and this, notwithstanding that upwards of 80 per cent. of the entries for the ten years ending 1840 took place in the last three, in consequence of the then very deficient harvests. That is, the increase in the produce of our soil gave us a supply, comparatively as large for our greater numbers, as was given for our smaller numbers in the ten years previous to 1811; and, as a necessary consequence, there was an equivalent increase of our manufactures, in money value, to give a sale for this greater produce of the soil.

Upon these facts, two questions arise. Why is it that we have declared our inability to raise more than fifty-two millions a year, in taxes, from our greater numbers; when seventy millions were taken from our much smaller numbers, on the average of the three years ending 1815, without creating any such distress as is now felt; although, relatively to our numbers at the respective periods, the fifty-two millions are proportionately not one-half the sum which was given with ease during the three years ending 1815? And

Why is it that, with our greatly increased means, the raising 253,293,000*l.* for the three years ending

1847 (or, relatively to our numbers at the respective periods, a sum not very greatly exceeding the one-half of what was raised in the three years ending 1815), should now be a burthen, and great difficulty to us?

Because measures were adopted, in the first three years, for affording every possible aid and assistance to the then greatly extended trade and money dealings of the people, as a means of enabling us to maintain the great national efforts, which we were then called upon to make ; whilst, in the second three years measures of a directly opposite tendency have been adopted. And

Because, from the most unwise measures which we have adopted to reduce our scale of market prices, the 253,293,000*l.* have become a larger per-centge charge upon the money sum of the produce of the annual labour of the people, than was the per-centge charge given by the 305,355,000*l.* upon the national money income, for the three years ending 1815 ; when with war charges, and with prices for wheat which averaged 82*s.* 4*d.* the quarter for the three years, wages and our scale of market prices were high.

The means, which we have most unwisely taken for reducing our scale of market prices, consist of our banking measures, as based on the fallacy of gold being the measure of value—which is the first point of this discussion—and of our trade measures, as based on the same utter fallacy, these forming the second main cause of our present state of difficulty.

First, of our banking measures. It is easy to prove, in a variety of ways, the utter fallacy of the doctrine, that gold is the measure of value. Still, the discussion

would occupy too much space ; and the statement of a very small part of the results, which flow from the adoption of this fallacy, may be sufficient for our present purpose.

Credit is capital to the party who gets it, until the prompt falls due. The issues of notes form an extension of credit for national purposes ; and they are a great public benefit, when made in accordance with the true wants of trade. But, independent of this advantage, they have become essential to our wants as a commercial people. Did we carry on our trade solely with a metallic currency, we should require upwards of two hundred million of sovereigns to enable us to conduct our affairs, with anything like the same despatch as at present. We could not easily get one-fourth of them, and they are not required ; we save the expense of holding them. For, from our lack of coins, we have discovered a means of carrying on our trade upon a system of credits, more or less extended, which are all balanced against each other by banking expedients : and we require a sufficiency of notes to effect this balance, and to keep our machinery of credits in due working order. But beyond what is necessary for these purposes, any issues of notes, which cannot be steadily maintained, become a great positive evil, from their producing injurious fluctuations in commercial prices. Regularity in the due issues of notes is of infinitely greater importance to us, than is the extent of issue.

By whatever number of persons, or by whatever means it may be accomplished, trade ultimately resolves itself into the barter of the products of one

description of labour for those of another. A metallic currency is merely a medium for effecting this exchange ; and a system of credits balanced against each other by notes is a far less expensive, and a much more expeditious way of effecting it.

Prices are mainly regulated by the state of the supply and demand. Still, commercial prices are materially influenced by other circumstances ; and in our trade of the past forty or fifty years, we have very frequently seen periods when scarcity prices were very little, if anything, higher than the abundance prices of other periods. The cause of it is thus explained. If the issues of notes are extended, then the distribution of the products of labour is enlarged, and prices advance ; my demand in the markets of the country being dependent upon the distribution which is given to the products of labour of which I have the command. If the issues of notes are reduced, then credit is diminished, an interruption is given to distribution, and prices fall from a restricted demand. And when the supply of notes is suddenly diminished below the real wants of trade, be it from reduced issues, or from the banking bodies holding increased reserves ; then a complete obstruction is opposed to our machinery of credits, and we have a panic. These results are clearly seen and understood, if we accredit the evidence given before the Committee of Secrecy in 1819—that each additional issue of 100,000*l.* made in notes gives rise to an extension of credit to ten times the amount of the notes. We can easily see, why increased issues should give rise to an extension of credit to six or seven times the sum of the additional

notes; and those conversant with the money market may as readily shew why the extension of credit becomes ten times the amount of the increased issues. But be this as it may, there can be little question that a reduction in the supply of notes, below the real wants of trade, does cause a diminution in the credits given, to at least ten times the sum of the notes withdrawn.

Our population is increasing at the rate of $1\frac{1}{2}$ per cent. yearly, requiring the exercise of all our energies to give employment to the people. In this state of things we limit the issues of notes to a fixed amount, and it must therefore be sufficiently obvious, that, proportionately to the increase in our numbers and in the products of their labour, the prices of commodities must decline, and the condition of the people must become deteriorated; unless we can accumulate additional capital, in the ratio of the increase in our numbers. And not only so, but we further limit the issues of notes according to the stock of bullion, which there may chance to be in the Bank of England; that is, in the inverse ratio that they are needed in the dealings of the people. Therefore we have constant fluctuations in trade, most injurious to the wellbeing of the working-classes.

It seems likely to appear, when we shall get the proper returns, that our exports in 1847 will differ more in money value from those in 1845, than in quantity. In a comparison with the public returns in 1815, our exports in 1845 show an increase of $213\frac{2}{5}\%$ per cent.; and our imports (the quantities re-exported being first deducted) show an increase of $299\frac{1}{4}$ per

cent. But in this greatly extended trade of 1845, only $16\frac{1}{2}$ per cent. more capital was employed, than was required for the smaller trade of 1815; that is, the average prices in 1845 were $62\frac{1}{3}$ per cent. lower than those in 1815; and nearly one-half of this decline may be fairly attributed to our false system of banking; a great evil—from our money incomes thereby becoming reduced in a still greater ratio. The further part of this decline in prices results from the continual substitution of improved machinery for the unaided labour of man; the obtaining of a larger, and consequently cheaper, number of products from a given quantity of labour,—a great national benefit, and more particularly advantageous to the working-classes.

Then the issues of notes averaged 45,697,000*l.* in 1815; but of these 15,697,000*l.* may have consisted of small notes, those of the Bank of England having then averaged 9,259,000*l.* Still, it should be considered, that the issues of notes are chiefly made by the discount of commercial bills; and that the issues of these small notes may have given rise to an extension of credit, beyond what was afforded by the issues of notes of 5*l.* and upwards. The issues of notes in 1845 averaged 38,409,000*l.*, and those of 1847, 35,960,000*l.* But the issues in the last six months of 1847 were about two and a half millions below those of the first six months; and further, in the then difficult times, the various banking bodies held greatly increased reserves. Granting that, with the present facilities of communication, these banking reserves were far short of what they had been in former times; still only about 15 per cent. upon the amount of their

issues would have as effectually then withdrawn 3,000,000*l.* from the circulation, as if the notes had never gone out of the Bank of England. It is thus made to appear, that the notes in circulation in the last six months of 1847 were 6,699,000*l.* less than in 1845. This no doubt caused a reduction in the credits then given of 67,000,000*l.*; whilst our money engagements for the twelve months were 41,571,000*l.* more than in 1845. Need we, therefore, be surprised that we had two panics in 1847, and that the second one in October was, for the time, the most severe ever known. It was one of the many strange results from our limiting the issues of notes in accordance with the stock of bullion in the Bank. And all the previous panics can be also shewn to be the results of our erroneous system of banking.

Secondly, of our trade measures. In this humid climate, the most favourable for the production of cereal food, with our greater skill in farming, with our better implements of husbandry, and from the larger amount of capital laid out upon the land, we get, from a soil of equal powers of fertility, a very much larger number of products, than is obtained elsewhere in Europe. Therefore we produce wheat, one of these products, at a less cost than is its cost of production in any other part of Europe. Then mark,—we obtain a produce from our soil, which not only repays all the labour and capital expended, with a due remuneration to the farmer for his time and skill employed, but further leaves a surplus for the landlord's rent. As a corn rent the landlords will receive the same proportion of the produce of the soil, whether there be corn-laws,

or not ; but, without corn-laws, its money value to them must ultimately be very much reduced. The farmers in the Lothians now pay the same rents, as they did when wheat averaged 80s. the quarter. Yet they make much more by their farming when wheat sells for 55s. the quarter, than they did when it was 80s. ; because they are now enabled to obtain a larger quantity of produce from the soil ; and the average rent of our corn land is nearly, if not quite double, that obtained on the Continent, mainly because we obtain a larger produce from our soil.

Sir Robert Peel holds, that gold is the measure of value ; and he contends that we can obtain wheat at the cheapest cost in the Baltic ports, and, therefore, that we ought not to have corn-laws. But according to Adam Smith's views of labour being the true measure of value (and upon this idea is based the whole of his argument upon the source of the wealth of nations, and its progressive increase), we can produce wheat much cheaper here than it can be imported from any other place in Europe.

Sir Robert asserts, that there is no necessary connection between wages and the cost of the labourer's food. Nevertheless, Adam Smith's dictum—that the money wages of labour are according to the money cost of the subsistence of a man, his wife, and two children, or else the population would decrease, yet with a further payment for skill required—can be incontestibly proved to be the truth. And, even were any other proof wanting here, we have only to traverse Europe to find that, throughout the different states, the wages of labour vary according to the cost of the

labourer's food ; and hence one chief reason why there is a different scale of market prices in each of the various states for exactly similar products of labour. Then, as we proceed, we find money wages to decline in a greater ratio than does the cost of the labourer's food ; and we further find, that the higher the money cost of the labourer's food is, the greater is his command of foreign productions. As, for instance, the consumption of sugar by our 29,000,000 is 20 lbs. per head, whilst the consumption of the 230,000,000 of the rest of Europe averages (the beet-root sugar included) only 4 lbs. a head. Yet all this results from natural causes.

Food is cheapest where the money-wages paid give the largest command of it ; and of all the nations of Europe, this has been most the case in England,—mainly the result of our corn-laws, as a counterpoise to our greater debt : but in part, because we produce food at the least specific cost. Our prices for wheat may be double the continental rates ; or, as has generally been the case, they may be treble those of Poland, at the spot where the wheat is produced : still, this is a matter purely conventional amongst ourselves, accordingly as it may be deemed for the advantage of the whole community, or otherwise. Then the money wages of labour being according to the money cost of the labourer's food, and the money cost of goods being in the sum of money wages expended in their production,—the raw materials being the produce of wages previously paid,—if the prices of food are lowered, then those of goods must decline in a corresponding degree, labour being ever fairly exchanged

against labour, according to the skill required : for otherwise there would be no sale for the goods. Yet this decline in the money price does not give us either of them one whit the cheaper ; for, according to Adam Smith, we can only have them cheaper by obtaining a larger number of products from a given quantity of labour, just as the Lothian farmers have done. Any decline, other than from this cause, in the money prices of food, or of goods, forms simply a reduction in our scale of market prices, in accordance with which our money incomes are reduced in a still greater ratio. And the main consideration essentially is, whether a high scale of market prices from corn-laws, or a low scale necessarily resulting from their repeal, be the most advantageous to the interests of the people, collectively and individually. This has now to be shown.

If we had no national debt, no fixed money payments, then it would be matter of much less moment whether we had a high, or a low scale of market prices. But be it remembered, that our national debt exceeds in amount the collective public debts of all the other states of Europe,—that we have heavy fixed money payments for the discharge of the interest due upon it,—and that the provision for these payments is taken from the produce of the labour of our 29 millions ; whereas the provision for the interest of the debts of the other states is variously taken in each, out of the produce of the labour of their 230 millions. Our debt was contracted when we had corn-laws, with a high scale of market prices ; and just in the ratio that our scale of market prices is lowered, exactly in the same

proportion is the burthen of our debt rendered more onerous to us. Still, this is only a part of the evils flowing from a low scale of market prices; for now see the actual results which have taken place.

Not only has our scale of market prices been much reduced by our wretched system of banking,—for thereby the capital money sum over which the interest of our debt and the expenses of our government become divisible has been diminished, and therefore their burthen upon us has been increased,—but, by our equally unwise trade measures, we bring the people of this country into competition with nations having comparatively small public debts, and whose money wages and scales of market prices are far below those which are essential to our existence as a commercial people; therefore our scale of prices is thereby further reduced, and brought down more nearly to the level of their scales, to our great injury. For our fixed money payments remain the same, whether we have a high, or a low scale of market prices. With a low one, those having fixed money incomes take so large a proportion of the produce of the annual labour of the people, that the provision left for the rest of the community is reduced in a far greater ratio, than is the reduction in the money cost of their necessary wants; therefore, to this extent is their condition deteriorated, and their command over the markets of the country is destroyed. And not only this, but thereby we lose the great value which our colonies might be to us; for they cannot reduce their scales of prices in the way that we can lower ours; and a low scale here must not only prevent any increase in the produce of

their soils, but is calculated to lead to a diminished cultivation. And thus it is, that the unjust division amongst us of the produce of the annual labour of the people, which results from a low scale of market prices, tends to a decrease of our trade internal and external, with loss of employment to the working-classes, as we now find.

These are not mere speculative opinions, but a true statement of the evidence before us. For, as regards the past, the whole of the public returns most distinctly prove, that, when our scale of market prices was advancing, we ever had the most extended export and home trade, with an improving revenue. And they further prove, that, when our scale of market prices was lowered, there was always a falling-off in all the branches of our trade, with a decreasing public revenue. And, as respects the present time, there is sufficient proof of the unsuitableness of our present measures, and of the great evils resulting from them ; when, with our numbers increased 50 per cent., and with the resources of the nation greatly augmented, we find ourselves unable to raise a revenue equal to the one-half of that which, relatively to our then numbers, we raised with ease in the three years ending 1815. And when we find our export trade yearly decreasing in a ratio, this year, much greater (with the exception of 1819 and 1837) than ever took place ; and see that it must go on yearly decreasing.

Still, it has been contended that our present difficulties have resulted from a deficiency of food, from the failure of three potato crops ; but this conclusion is not warranted by any past experience. For, with the

exception of 1796, all the panics previous to 1819 took place when we had abundant harvests, as the necessary consequence of our false system of banking,—then little better than our present one, and both bad, as leading to frequent ruinous fluctuations in trade. Yet of the two the present system produces the most disastrous effects; by causing panics when we have bad harvests, and by thus depriving the working-classes of employment, when the cost of their food is the dearest. Whilst the periods of the bad harvests previous to 1819, were those of our most extended export and home trade; and although the predial labourers might then have suffered much, yet the operatives did not, having full employment and high wages.

Neither can it be truly said, that our present difficulties have resulted from the decrease in our export trade, in consequence of the present disturbed state of Europe. For, in the formation of railways, nearly as much employment has been given to labour, as would have been afforded by our export trade being double in extent. At least a larger amount has been expended in labour by forming the lines, than would have been paid by our exports having been doubled,—the raw materials, the products of previous years labour, being deducted; but in such an increase in our exports, the payments would have been divided amongst a larger number of workmen. We see the effects of this expenditure in the collection of the revenue, and this has blinded our eyes to the true causes of our present troubles; yet only that they may be revealed in all

their intensity of effect, when this railway expenditure shall cease.

Then it should be considered that our exports do not form one-seventh part of our whole trade, and that it must be from measures for the improvement of our home trade, that we can reasonably expect to ameliorate the condition of the working-classes. If we deduct the exports of metals and machinery, as giving a mere temporary increase of trade, and take the average of our other exports for the five years ending 1845, we find that six-tenths of them are made to countries which have not been injured by our trade regulations, and that four-tenths go to countries whose interests may be affected by our differential duties. Now we seek to extend the four-tenths of our exports to nations, being themselves for the most part manufacturers, by measures having a directly opposite tendency, as being calculated to cause a decrease. Whilst these same measures do effectually diminish the other six-tenths of our exports, which, under other circumstances, are capable of large increase. And not this alone, but they also prove most injurious to our far greater home trade, and to the wellbeing of the working-classes.

In thus giving the mere outlines of only a part of the heads of an argument, it may be well to guard against any misconception of its main scope; and therefore necessary to explain the ideas which are intended to be imparted by some of the terms used. Adam Smith truly states, that the wealth of a nation is according to the quantity of productive labour,

which can be set in motion within it. The capital of a nation, exclusive of its stock of bullion for circulation, consists of its hoarded labour of past years, as variously employed ; be it in land, houses, manufactures, public companies, or in the various appliances for rendering all these reproductive, and for sending their varied products into distribution. The working value of this capital does not materially vary, except from unwise legislation reducing its reproductive ness ; that is, each section of labour will ever bear a due relative value to all the other sections, according to its power of reproductive ness. But the capital of the country in money value varies materially at different periods ; that is, the money prices of all these subjects of reproductive ness, and the prices of their varied products, do vary in accordance with our general scale of market prices, which fluctuates greatly, as well from other, as from the causes above stated.

In order to render his subject-matter more perspicuous, Adam Smith took up labour as an abstract question ; rendering it as much irrespective of the money wages paid, as possibly could be done. But in the practical application of his principles, with any statesman-like views, consideration must be had to the money wages paid, in relation to the circumstances of the nation, and to the laws and social institutions existing in it,—a thing very seldom done. For each country has, from causes which can be assigned, its own peculiar scale of wages, and consequent peculiar scale of market prices. Hence the reason why parties go abroad for cheap living ; where their money will go farther than in England to supply their wants.

A comparison has been made of the three years ending 1815, with the three ending 1845. And it may be necessary to notice, that there was a severe panic at the end of 1815 and in the beginning of 1816, just as there has been in 1847-48. In 1815, the Bank Directors began to prepare for a resumption of cash payments; and they stated, before the Committee of Secrecy, in 1819, how the Bank's purchases of gold were made,—“ by selling their government securities, and in part by a reduction in their discounts.” When the Bank accounts were subsequently published in detail, it appeared that the Directors had at first sold a part of their government securities, but that the purchases of gold were chiefly made by a reduction of discounts. The country banks were caught with large issues out, as requisite for our extended money dealings in 1815; and from their anxiety to reduce their engagements—a proceeding rendered imperative upon them in consequence of the restriction of credit by the Bank of England—they brought discredit upon themselves, and many of them were ruined, who had not their resources immediately available. A stop was put to the evil by an announcement, that the resumption of cash payments would be delayed, but much more so by the bad harvest of 1816, which gave the country banks increased confidence in their customers; and with their extended and increasing issues trade again revived, and went on prospering to the end of 1818. A woeful reverse took place in 1819, from the serious reduction then most unwisely made in our scale of market prices, and much distress was experienced for several years afterwards. It cannot, however, be truly stated, that either in 1815,

or in 1847, the different panics were produced by the extent of our money dealings: in both instances they were caused by the Bank's proceedings having prevented the people from duly meeting their engagements; most certainly not from any intention or desire on the part of its Directors to effect such great disasters as took place on both occasions—they were solely the consequences of the false position, in which the Bank was placed by the Legislature.

Bad as is the present state of the country, our future prospects are far from encouraging. There are 130 millions more required to complete the lines for which bills have been granted; and supposing that only one-half of these are now to be completed, where are we to find the necessary funds? We are not at present increasing the capital of the country; the present excitement on the Continent, and consequent bad state of trade, is sufficient to prevent it, were there not still more powerful obstacles to its increase, either in productive working value, or in money value. It rather seems likely to be diminished in both ways; and as it is money we want, it can only be obtained by one of two means; either after the manner it was obtained last year, and in the present one, by parties selling their shares in the paid-up lines and other fixed securities, or by the withdrawal of further capital from trade, which would cause a still greater reduction in our scale of market prices. Or else, by throwing the formation of the new lines over such a period of time, as, with a total change in our present banking and trade measures, would enable us to gain additional capital for their completion. Our doing so is due to

the holders of railway shares, for they have been made to suffer mainly by our unwise legislative measures ; and it is the interest of the proprietors of each and of all the lines, whether completed or not, that this should be done.

The adoption of this second alternative is no less due by the public to themselves, as otherwise we seem destined to pass through a very fiery ordeal ; for the effects of the repeal of the corn-laws cannot come into full operation until we shall have had two or three successive full harvests here and on the Continent ; and, when we have such, our scale of market prices must be reduced, at the least, to the level of that prevailing in France anterior to 1845, which was higher than the scales of prices in most of the other states of Europe. By such a reduction the positive burthen of our taxation would be increased full 30 per cent., and could the people bear this ? Would they bear it, when, besides this additional burthen, they found their money incomes reduced from one-fifth to one-fourth beyond the reduction in the cost of their necessary wants ? Those having fixed money incomes, in various ways, would find their means increased by forty millions sterling, and they would be enabled to add to the sum of their conveniences and luxuries ; but to the like extent, at the least, the condition of the rest of the community would be deteriorated. It may be clearly demonstrated that, from such a reduction in our scale of market prices, this unjust division must necessarily be produced amongst us of the money sum of the produce of the annual labour of the people ; a division most injurious alike to the export and home trade of

the country, and to the wellbeing of the bulk of the community ; but most of all disastrous as respects the condition of the working-classes. To effect such a change in the condition of the people would be dangerous at any period, and it becomes doubly so in the present state of excitement throughout Europe. It is a matter deserving of speedy and grave consideration.

It is thus shown, that the present difficulties of the nation, and the very depressed condition of large masses of the working-classes, mainly result from our unwise banking and trade measures, in consequence of their producing a reduction in our scale of market prices ;— and that a division of the produce of the annual labour of the people is thereby effected amongst us, which becomes more and more unjust and injurious to us, as our scale of prices is made to descend. There is an unequal division of the produce of the annual labour of the people, which forms the strongest proof of the general prosperity of a nation ; and it can be clearly proved, that, upon this inequality of division the wellbeing of the working-classes mainly depends. But there is also an unequal division of the produce of the annual labour of the people, which is so eminently unjust and injurious, as to be the certain forerunner of revolution in a country. To this latter state we are fast advancing ; and when the effects of the repeal of our corn-laws come into full operation, we shall progress by still more rapid strides towards it.

The formation of railways must ultimately prove a great national benefit, were it only from the additional means afforded for the distribution of the products of labour, and which must tend to give a powerful

stimulus to the productive powers of the people, when our legislative measures do not, as at present, prevent it. Under a right system of banking, suited to the wants and requirements of the nation—and surely this might readily be attained by obvious and very easy means for preventing any undue extension in the issues of notes, and for giving sufficient security for the right maintenance of all the public interests—the formation of all the proposed lines might have been made a real blessing to us,—an immediate as well as an ultimate great national benefit,—in the addition thereby given to our export and home trade, with a large increase made to the public revenue, which might have enabled us to pay off a part of our public debt, now so burthen-some to us, such an incubus on the fair development of the national industry. But they have been rendered the very reverse of this. For like men who, in the abuse of the gifts implanted in their nature for their wellbeing; and happiness, turn them into a very curse upon themselves; so, by our banking and trade measures, have we turned all the advantages derivable from the formation of these railways, and from our high position as a great trading nation, into a present great evil.

PART II.

IN PROOF OF THE STATEMENT OF THE EVILS WHICH RESULT FROM OUR TRADE MEASURES.

IN proving the correctness of the statement, made in general terms, as to the evils which result from our trade measures, it may be necessary, first, to shew the anomalous condition in which this country is placed, as arising from our having a large sum of fixed money payments, with varying prices for the produce of the labour of the people; that is, the capital money sum, over which these fixed money payments become divisible, does vary materially from time to time. And, secondly, to shew in detail the evils which result from our anomalous position, in consequence of the reduction in our scale of market prices, as caused by our trade measures.

Since 1820, we have had the great benefit of correct tables of our export and a part of our home trade, and of the finances of the country, exhibiting the fluctuations which have taken place in them; and it is much to be regretted that we have not also had the returns of the produce of the soil, in order that we might thereby be enabled to form a better judgment than

we now can, alike of the extent of the whole labour in the nation each year, and also of the variations which have taken place in it from time to time.

The opinions formed as to the extent of the national yearly income are very various. And it might have been expected ; varying as it does with change of seasons, and from a variety of causes, partly natural, and in great part the result of our own folly. One thing is however certain. That the wealth of the nation is according to the quantity of productive labour which may be set in motion within it, and that a decrease in the employment of the working-classes forms a diminution of the national income.

We have not sufficient data for forming a correct judgment upon the whole. We may chance to make a near guess at the quantity of wheat consumed in the three kingdoms, and thereupon, according to the average mode of cropping, we may form a rough computation as to the quantity of other cereal food produced, and then see what has been their average prices. Then there has to be added the other farm produce, and the profits derived from feeding stock, of an amount still more uncertain. The calculation may be checked, in part, by looking at the assessment of real property for the poor-rates, on the supposition that money rents form, on the average, one-third of the produce of the soil in money value. We may thus roughly calculate, that 150 millions are annually derived as the sale price of the produce of the soil ; and there must be products of other labour in the country, against which the first has to be exchanged. Labour is ever exchanged against labour, however

varied in number and form may be the expedients, by which it is accomplished. There must be 150 millions in money value of manufactured articles, or of goods obtained by their sale in other countries, to exchange against the 150 millions obtained from the soil, making together 300 millions. Farther, there is the income derived from the hoarded labour of past years (whether made here or brought from our colonies) as arising from its being productively employed in canals and railways, in insurance and other public companies, in East India or Bank Stock, or in various other ways,—all which may amount to 100 millions more. And besides, there are 50 millions collected in taxes, which form incomes to the parties to whom they are paid,—making 150 millions more to be also exchanged against manufactures, or against the returns obtained abroad for them.

Thus the national income, previous to the adoption of our present trade measures, may have been 450 millions. The first cost sale price of the products of the national labour, for a year, may have exceeded 450 millions, the difference being the money cost of the raw materials used, the products of the labour of previous years. And, with the goods passing through several hands before they reach the consumer, our money dealings for the year may be 2,000,000,000*l.*

These suggestions, for they are little else, may have been requisite, but it will not be necessary that the exact amount of the national income should be stated. It may be sufficient for our purpose, that we assume any given sum, and shew the effects resulting from the division of fixed money payments over a

greater, or less amount of money income. Therefore we proceed,

First, to show in detail what is the anomalous condition of the country.

It is first assumed, whatever it may be, that the income of the nation for the year is 300 millions, and that 50 millions are collected in taxes, which also form a part of the amount assessed, making the taxation divisible over 350 millions. It is further assumed that, of the 50 millions raised in taxes, there are about 30 millions required for the payment of the interest of our debt, funded and unfunded, which remain fixed money payments. There are the annuities and pensions for naval, and military services, fixed money payments. There is the pay of the army and navy, a fixed money payment; for their pay was not increased in accordance with the high scale of market prices prevailing during the first seventeen years of this century, and it could not now be justly reduced. Then there is the provision for the civil list, for the officers of the courts of justice, for the salaries of the high officers of state, and of all the subordinates in the public service, which may or may not be reduced. And there remain the munitions of war, and the supplies for the army and navy, the cost of which will ever vary in accordance with the scale of market-prices prevailing at the time. Thus there might be a reduction upon from 10 millions to 15 millions: but say that there will be a reduction upon 15 millions, and that to the extent of this reduction, the amount necessary to be raised in taxes would be diminished; then there would be 35 millions of fixed government

money payments, to which are added 70 millions more of fixed money incomes, as arising from mortgages, marriage-settlements, provision made for junior branches of families, and also from East India and Bank Stock, and various other sources ; in all making 105 millions of fixed money incomes ; with 245 millions of incomes, varying in accordance with our scale of market prices. And upon all these assumptions, the annexed tables shew the results of the division of our taxation over a greater or less national money income, as stated in millions and decimal parts.

In some respects these tables are not in perfect accordance with the existing state of things, as, for instance, the amount now collected in taxes exceeds 50 millions a year ; and the whole sum raised does not contribute to the taxation. The 35 millions of fixed money incomes may form a part of the sum assessed ; but the whole of the other 15 millions of varying government payments do not. These and other minor matters could, however, hardly make any perceptible per-cent age difference in the calculations. The chief object in view has been to exhibit, in a brief form, as near an approximation to the truth as would suffice to shew the real merits of the case.

Of the first set of tables, the first case shews 350 millions as the money sum of the products of the annual labour of the people, at the prices at which they enter into consumption, and including the taxation charged in their cost. And, upon these 350 millions, the 50 millions of taxes form a charge of $14\frac{3}{10}$ per cent.

FIRST TABLE.

Assuming the National Money Income to be three hundred and fifty millions; the Taxation at fifty millions; and the Fixed Money Incomes to be one hundred and five millions; the results are these:—

CASE	Money Prices of the produce of Labour, including Taxation.	Amount levied in Taxes.	Income left to the Producers, Left.....	Producers' cost of necessities, conveniences, and luxuries, and taxation.	Holders of fixed Money incomes' cost of necessities, conveniences, and luxuries, and taxation.	
					First cost	Taxation
1st.	350.	50.	Left.....245.	First cost210. Taxation35.	90. 15.	105.
2nd.	297.50	47.50	Left.....192.50	First cost175. Taxation30.74	75. 16.76	91.76
3rd.	245.	45.	Left.....140.	First cost140. Taxation25.71	60. 19.29	79.29
4th.	192.50	42.50	Left.....87.50	First cost105. Taxation19.32	45. 23.18	68.18
						—

SECOND TABLE.

Assuming the National Money Income to be four hundred and fifty millions, including fifty millions raised in taxes; and the Fixed Money Incomes to be one hundred and five millions; the results are these:—

Case.	Money Prices of the product of Labour, including taxation.	Amount levied in Taxes.	Income left to the Producers.	Producers' cost of necessities, conveniences, and luxuries, and taxation.		Holders of fixed Money Incomes' cost of necessities, conveniences, and luxuries, and taxation.
				First cost	Taxation	
1st.	450.	50.	Left 345.	First cost 306.67 Taxation 38.33 345.		First cost 93.33 Taxation 11.67 105.
2nd.	380.83	47.50	Left 273.83	First cost 255.56 Taxation 34.40 289.96		First cost 77.77 Taxation 13.10 90.87
3rd.	311.67	45.	Left 206.67	First cost 204.45 Taxation 29.84 234.29		First cost 62.22 Taxation 15.16 77.38
4th.	242.50	42.50	Left 137.50	First cost 153.33 Taxation 24.10 177.43		First cost 46.67 Taxation 18.40 65.07

THIRD TABLE.

Assuming the National Money Income to be six hundred and fifty millions, including fifty millions raised in taxes: the
Fixed Money Incomes being one hundred and five millions: the results are these:—

CASE.	Money Prices of the Product of Labour, including taxation.	Amount levied in Taxes.	Income left to the Producers.	Producers' cost of necessities, conveniences, and luxuries, and taxation.		Holders of fixed Money Incomes' cost of necessities, conveniences, and luxuries, and taxation.
				First cost	Taxation	
1st.	650*	50.	Left 545.	First cost 503.08	Taxation 41.92	First cost 96.92
2nd.	547.50	47.50	Left 442.50	First cost 419.23	Taxation 38.39	Taxation 8.08
3rd.	445.	45.	Left 340.	First cost 335.39	Taxation 34.38	105.
4th.	342.50	42.50	Left 237.50	First cost 251.54	Taxation 29.47	First cost 48.46
						Taxation 13.03
						61.49
						281.01

FOURTH TABLE.

Assuming the National Money Income to be five hundred millions, including fifty millions raised in taxes; the Fixed Money Incomes being one hundred and fifty millions; the results are these:—

CASE.	Money Prices of the produce of Labour, including taxation.	Amount levied in Taxes,	Income left to the Producers,	Producers' cost of necessities, conveniences, and luxuries, and taxation.		Holders of fixed Money Incomes' cost of necessities, conveniences, and luxuries, and taxation.
				First cost	Taxation	
1st.	500.	50.	Left 350.	First cost 315.	Taxation 35.	First cost 135.
2nd.	422.50	47.50	Left 272.50	First cost 262.50	Taxation 30.64	Taxation 15.
3rd.	345.	45.	Left 195.	First cost 210.	Taxation 25.43	First cost 112.50.
4th.	267.50	42.50	Left 117.50	First cost 157.50	Taxation 18.67	Taxation 16.86
				293.14		129.36
				235.43		109.57
				176.17		91.33

FIFTH TABLE.

Assuming the Money Price of the produce of labour to be five hundred and fifty millions, including fifty millions raised in taxes ; of which one hundred millions are returned to the producers as their capital ; the Fixed Money Incomes being one hundred and fifty millions ; the results are these :—

CASE.	Money Prices of the produce of Labour, including taxation.	Amount levied in Taxes.	Income and Capital left to the Producers.	Producers' cost of necessities, conveniences, and luxuries, and taxation.	Holders of fixed Money Incomes' cost of necessities, conveniences, and luxuries, and taxation.
1st.	550.	50.	Income.....300. Capital.....100. 400.	First cost.....366.67 Taxation.....33.33 400. 314.17	First cost.....133.33 Taxation.....16.67 150. 334.35
2nd.	464.17	47.50	Income.....230.84 Capital.....83.33	First cost.....305.56 Taxation.....28.79	First cost.....111.11 Taxation.....18.71
3rd.	378.33	45.	Income.....161.66 Capital.....66.67	First cost.....244.44 Taxation.....23.34	First cost.....88.89 Taxation.....21.66
4th.	292.50	42.50	Income.....92.50 Capital.....50.	228.33 142.50	267.78 First cost.....183.33 Taxation.....16.21 199.54
					110.55 66.67 26.29 92.96

SIXTH TABLE.

Assuming the Money Price of the produce of labour to be five hundred and fifty millions, including fifty millions raised in taxes ; of which one hundred millions are returned to the producers as their capital, the cost of the raw materials ; the Fixed Money Incomes being one hundred millions ; the results are these :—

Case.	Money Prices of the produce of Labour, including taxation.	Amount levied in Taxes.	Income and capital left to the Producers.	Producers' cost of necessities, conveniences, and luxuries, and taxation.		Holders of fixed Money Incomes' costs of necessities, conveniences, and luxuries, and taxation.
				First cost	Taxation	
1st.	550.	50.	Income 350. Capital 100. <hr/> 450.	First cost 411.11 Taxation 38.89 <hr/> 450.	First cost 88.89 Taxation 11.11 <hr/> 100.	
2nd.	464.17	47.50	Income 280.84 Capital 83.33 <hr/> 364.17	First cost 342.60 Taxation 35.03 <hr/> 377.63	First cost 74.07 Taxation 12.47 <hr/> 86.54	
3rd.	378.33	45.	Income 211.66 Capital 66.67 <hr/> 278.33	First cost 274.07 Taxation 30.56 <hr/> 304.63	First cost 59.26 Taxation 14.44 <hr/> 73.70	
4th.	292.50	42.50	Income 142.50 Capital 50. <hr/> 192.50	First cost 205.55 Taxation 24.97 <hr/> 230.52	First cost 44.45 Taxation 17.53 <hr/> 61.98	

In the second case it is assumed, that there is a reduction of one-sixth in the market prices of commodities, and consequently the like reduction in the national money income. The gross money sum of the national income would then be $297\frac{1}{2}$ millions; and, with a reduction of one-sixth upon the 15 millions of varying government payments, the requisite amount of taxation would be $47\frac{1}{2}$ millions, which, becoming divisible over $297\frac{1}{2}$ millions, gives a charge of nearly 16 per cent. Thus, with a reduction of $2\frac{1}{2}$ millions in the sum of our taxes, their positive burthen upon us would be $11\frac{3}{4}$ per cent. more than in the first case.

In the third case it is assumed, that there is a reduction of one-third in the money sum of the products of the annual labour of the people, and the results are these. The national money income will be 245 millions, and the requisite amount of taxation 45 millions, giving a charge of $18\frac{1}{3}$ per cent. And thus, with a reduction of one-tenth, or of five millions in the amount of our taxation, still its positive burthen upon us would be increased $28\frac{2}{3}$ per cent. beyond what it is in the first case.

The fourth case assumes, that the market prices of commodities are reduced one-half; and then it is shewn, that the national money income will be $192\frac{1}{2}$ millions, including the taxation; that the requisite amount of taxation will be $42\frac{1}{2}$ millions, which will give a charge of 22 per cent. And thus, with a reduction of 15 per cent. in the sum collected in taxes, this reduced amount of taxation, as compared with our money incomes reduced one-half, would be an increase

of more than $54\frac{1}{2}$ per cent. in its positive burthen upon us, beyond what is shewn in the first case.

In this first set of tables, the national money income, including the taxation, has been designedly taken at 350 millions, or much below what it is supposed to be. It seemed desirable first to shew the smallest effects, which can reasonably be expected, as the results of our large fixed money payments becoming divisible over a varying sum of money income; for the apparent singularity of the case is this: That, with the taxation originally divided over a large sum of money income, the first per-cent-age charge is, of course, proportionately smaller. Still, with each subsequent reduction in the market prices of the products of labour, and consequently in the money sum of the national income, the positive burthen of taxation is increased in a greater ratio than results from the taxation being, in the first instance, divided over a smaller amount of income. Yet this is a necessary effect, when the reduction in the money sum of income, over which the taxation becomes divisible, proceeds in a greater ratio than does the reduction in the taxation itself.

Thus looking at the second set of tables. The first case shews 450 millions as the national income, or the money sum of the products of the annual labour of the people, at the prices at which they enter into consumption, and including the taxation charged in their cost. And upon this sum, the 50 millions of taxes form a charge of $11\frac{1}{10}$ per cent., or nearly $22\frac{1}{4}$ per cent. less than the charge given by their division over the 350 millions in the first set of tables. But with the like proportionate reduction, as in the first

set, of one-sixth, one-third, and one-half in the national money income, it is shewn : that the positive burthen of the taxation would be increased $12\frac{1}{4}$ per cent. in the second case, nearly 30 per cent. in the third case, and $57\frac{3}{4}$ per cent. in the fourth case, beyond what it is in the first case of this second set.

And looking at the third set of tables. The first case shews 650 millions as the money sum of the national income, including the taxation ; upon which the fifty millions, raised in taxes, form a charge of $7\frac{7}{10}$ per cent. This is $46\frac{1}{4}$ per cent. below the charge given by the division of the like sum of taxation in the first case of the first set of tables. But with the like proportionate reduction in the national money income of one-sixth, one-third, and one-half, as has been allowed in the two previous sets of tables, it is shewn : that the positive burthen of taxation would be increased $12\frac{4}{5}$ per cent. in the second case, nearly $31\frac{1}{2}$ per cent. in the third case, and $61\frac{3}{10}$ per cent. in the fourth case, beyond what it is seen to be in the first case. And thus again it is seen, that, although the first percentage charge is less, from the taxation becoming divisible over a larger principal money sum of income, yet that its positive burthen upon us increases in a greater ratio with each reduction in our money income, than is found to be the case in the first set of tables, with the like sum of taxation originally divided over a much smaller principal money sum of income.

The annexed statements may, perhaps, tend to render intelligible what is meant by the term “ anomalous position of the country ;” our having large fixed money payments, divisible over a varying sum of money

income; and, so far, little further than this was intended by them. The calculations may be quite correct, but, as before noticed, the data upon which they are made are not wholly in accordance with existing facts.

For in them the taxation has been considered a per centage charge upon the sum of money income. Whereas our taxes are most unwisely collected, in far too great a proportion, upon articles of consumption needed by the working-classes, thereby producing grievous results. Results grievous to the nation, from that uncertainty in the collection of the public revenue, which is consequent upon the ever-varying condition of the working-classes, as resulting from change of seasons either in this country, or in the nations from whom we draw our supplies of raw materials. And most grievous to the working-classes, from their being subject to the same charge for duty upon articles (which from long use of them have become necessities) when they are out of work, or only half employed, as when they are in full pay. Upon the condition of the rich, variations of seasons produce little change; but to the humbler classes they are all important.

For the present, the truth of Adam Smith's dictum is assumed: that the money wages of labour are according to the money cost of the labourer's subsistence. And the money cost of the goods being in the sum of money wages expended in their production, the raw materials used being the produce of wages previously paid,—there will therefore ever be, unless it is unwisely prevented, a due relative proportion between the money cost of the labourer's subsistence,

and the money cost of goods, as is found in other nations ; that is, our scale of market prices will be mainly regulated by the money cost of the labourer's food. Of late years, the very reverse of this has frequently been found to be the case. Yet only because the working-classes are the first to feel any difficulties in the times ; and from our unwise banking measures having rendered bad harvests the periods of our greatest difficulty : depriving the working-classes of employment, when the cost of their food was the dearest. It may here again be repeated, that, previous to 1819, and with the exception of 1796, the periods of our bad harvests were those of our most extended export and home trade ; with full employment for the operatives at high wages. The earlier period was the normal, the second period is the abnormal state of things. The discussion of the question, as to wages, is not thus waived from any difficulty inherent in it ; and only in consequence of the space required for its right elucidation.

Yet it may be well to give a few general remarks upon it, as thus : Looking at the various rates of money wages, as paid in the different States of Europe, and at the consequent peculiar scale of market prices prevailing in each for exactly similar products of labour, it should be borne in mind ; that the sum of money wages paid depends upon other circumstances than the cost of the labourer's subsistence : as, for instance, the extent of taxation in a nation tends to raise its rate of wages. Its taxation is so much taken out of the money sum of the produce of the annual labour of the people ; and, if it be in good part

obtained by taxes upon the conveniences and luxuries of the working-classes, which they have long been accustomed to enjoy, then higher wages will be paid, *in prosperous times*, to enable them to meet these charges, and thereby its scale of market prices will be advanced. The due share, which the working-classes obtain of the increase of wealth in a country, is in higher wages ; and thereby its scale of market prices is also advanced. But the largest increase given to wages, and the highest scale of market prices produced in a nation, result from corn laws prevailing in it ; which prevent the import of foreign corn, until the native grown corn shall have reached a given price, except on the payment of an equivalent duty.

It has been shewn how the income of this nation may be divided into three branches : one-third as the produce derived from the soil ; one-third from manufactures to exchange against the first, and to give a sale for it ; the remaining one-third being the produce of the hoarded labour of past years, which is also exchanged against our manufactures, or against the conveniences and luxuries obtained by their sale in distant parts. And if this be anything near a fair representation of the truth ; then, as the numbers of the agricultural and of the manufacturing population are nearly equal, it will easily be seen why the latter and their employers receive so much higher remuneration than do the agriculturist : the fund for whose payment is only one-half the provision for the manufacturing classes,—this greater provision resulting from machinery being made to perform a large part of the work of the latter class. And thus it is, that although

the adoption of machinery may at first drive particular classes out of employment, yet it is ultimately made to provide work for larger numbers, with better payment to them, than they could have had by hand-work. And somewhat similar results are afforded by improvements in the implements of husbandry.

It is also seen that the consumption of our manufactures, and of the returns obtained by their sale in other countries, is bounded by the sum of the produce obtained from our soil, together with the sum of the produce of the hoarded labour of past years, as variously employed. It must therefore be evident, that, if there be diminished produce obtained from our soil, or if, from legislative enactments, the hoarded labour of the past years should be rendered less productive, then the condition of the manufacturing classes must be proportionately deteriorated. The three different branches are wholly dependent upon each other. There is one perfect community of general interest. The whole must equally advance in prosperity, or together sink to premature decay, as is now the case with us, unless we change our measures.

It may be well further to notice, that the value of the hoarded labour of past years is according to its productive employment. If one common lot was produced for all, the equal division of the sum of this hoarded labour would provide for the wants of the people only for a very short period ; its productive value would be destroyed, and it must be evident that the provision for the manufacturing classes would thereby be diminished one-half, — they would be brought down to the state of the agricultural labourers. And

the state of the latter would then also be deteriorated, for there would be a destruction of the capital,—which renders their labour truly productive, and affords them higher wages. The wages of the agricultural labourers could not then exceed two-thirds of what they now obtain ; and the manufacturing classes, being brought down to the same level, would only receive, as a body, one-third of their present wages. The wellbeing of the working-classes depends upon that unequal division of the produce of the annual labour of the people, which tends to afford the greatest employment to the people, and gives the largest demand for the products obtained. We now proceed,—

Secondly, to prove the evils, which result from the anomalous condition of the country, owing to the operation of our trade measures.

The proposition here advanced is this : that, with a money income decreasing in a greater ratio than the decrease in the amount of our taxation, each successive reduction in our scale of market prices produces a division of the whole national income, and a change in the respective incomes of each individual, different from what had previously existed ; still, a change more and more injurious, as our scale of market prices descends, to the collection of the public revenue, to the trade of the country, and to the wellbeing of the people,—with the exception of those holding fixed money incomes ; and, from the mode by which the public revenue is raised, chiefly disastrous to the condition of the working-classes, the great mass of the population. Of this we have now to adduce the proofs ; in part demonstrative, and in part only inferential, from

the want of sufficient data for forming a correct judgment upon the whole.

Looking at the second set of tables, of which the first case may fairly represent the condition of this country previous to 1846. In the second case, with a reduction of one-sixth in the market prices of commodities, and also in the national income, the condition of those having fixed money incomes would be greatly improved : they would have to pay $12\frac{1}{4}$ per cent. more in taxes than in the first case ; but, when it was paid, they would have the command, at their reduced prices, of $18\frac{1}{2}$ per cent. more of the necessaries, conveniences, and luxuries of life, than they had in the first case. But it would be very different with the rest of the community, their taxation would be reduced $10\frac{1}{4}$ per cent. in amount, below what it is in the first case ; but, as compared with the money income over which it would become divisible, its positive burthen upon them would be increased $12\frac{1}{4}$ per cent. ; and after it was paid their incomes would be 14 millions 13 dec. short of the prices of their necessities, conveniences, and luxuries, even at their reduced cost. To this extent, at the least, their competition in the general markets of the country would be diminished.

In the third case, which assumes the money sum of the produce of the national labour to have been reduced one-third, the condition of those holding fixed money incomes would be still further improved : they would have to pay nearly thirty per cent. more in taxation, than in the first case. But after it was paid, they would still have the command of $44\frac{2}{5}$ per cent. more of the necessities, conveniences, and luxuries of

life, than they enjoyed in the first case. But, to the extent of their acquired advantages, the condition of the rest of the community would be so far deteriorated. The sum of their payments in taxes would be $22\frac{1}{4}$ per cent. less than in the first case ; but, as compared with their money income, the positive burthen of taxation upon them would be increased just 30 per cent. ; and after its payment their incomes would prove to be 27 millions 62 dec. short of the cost of their customary wants, even at a reduction of one-third in their prices. To this extent, at the least, their command over the markets of the country would be destroyed.

In the fourth case, it is assumed that the money sum of the produce of the national labour has been reduced one-half. The holders of fixed money incomes would then have to pay $57\frac{2}{3}$ per cent. more in taxes, than in the first case ; but they would, nevertheless, have the command of $85\frac{3}{5}$ per cent. more of the necessaries, conveniences, and luxuries of life, than they obtained of them at their prices in 1845 ; whilst the rest of the community, having $37\frac{1}{8}$ per cent. less to pay in taxes, than in the first case, would still find their incomes deficient by nearly 40 millions, although the cost of their customary wants had been reduced one-half.

It may not be necessary to enter into the like details with regard to the first and third set of tables. Of the third set it needs only be stated ; that, even with the respective reductions of one-sixth, of one-third, and of one-half in the prices of commodities, the community at large would still find their money incomes deficient for their customary wants by 15 millions 12 dec. in the second case ; by 29 millions 77 dec. in the third case ;

and by 43 millions 51 dec. in the fourth case. Whilst those holding fixed money incomes, even with the payment of a much larger sum in taxation, would still find their command over the general markets of the country to be greater by $18\frac{7}{10}$ per cent. in the second case ; greater by $46\frac{1}{10}$ per cent. in the third case ; and greater by $89\frac{1}{2}$ per cent. in the fourth case, than it was at the prices of the first case.

These results arise from taking the taxation as a per-cent-age charge upon money income. But our revenue is chiefly raised by taxes upon articles of consumption ; some of them, such as tea, sugar, and coffee, being articles affording the largest revenue ; and which, from constant use, have become necessities of the working-classes. Full three-fifths of the revenue is raised upon person, by taxes upon consumption, and only two-fifths upon property. It would be extremely difficult, nearly impossible, to show exactly how large a share of the taxation is contributed by the working-classes, as compared with their money incomes, and what a small proportion is raised upon property. It is only those acquainted with the details of trade, who can judge of the large proportion of goods, paying the highest duties, that is sent to the manufacturing districts ; yet varying in amount according to the state of trade, and in accordance with the extent of employment given to the working-classes. As a point of our practical experience, the extent of the public revenue has ever depended, and no doubt ever will depend, upon the employment given to the working-classes : the rates of prices have little connection with the extent of consumption.

Yet, even with such data as they have before them, the public at large can judge upon this point. If, with a taxation charged as a per-centage rate upon money incomes, the holders of fixed money incomes derive such great benefits from each decrease in our scale of market-prices as has been shewn, it can be easily judged how much greater must be the improvement in their condition with a taxation chiefly collected upon person, and not upon property. And it can be judged how much, how very much greater must be the deterioration in the condition of the rest of the community, than is shewn by the annexed tables.

In the first three sets of tables, the fixed money incomes have been taken at 35 millions of government payments, with 70 millions more of fixed incomes, as arising from various sources. But the whole sum of them is believed to be 150 millions ; and the fourth set of tables shews the results flowing from this division of the produce of the annual labour of the people, which is here assumed to be 150 millions obtained from our soil, 150 millions from manufactures, and 150 millions as the produce of the hoarded labours of past years, together with 50 millions of taxes. Thus making the taxation divisible over 500 millions. In the third and fourth cases, those having fixed money incomes would be charged with a large increase in their taxation ; but when it was paid, their command over the markets of the country would be increased in a far greater ratio, by nearly 45 per cent. in the third case, and by more than $88\frac{1}{2}$ per cent. in the fourth. The condition of the rest of the community would, however, be widely different. The money sum of their

taxation, in the third case, would be $27\frac{1}{3}$ per cent. less than in the first case ; but, as compared with their then money incomes, its positive burthen would be increased $30\frac{2}{3}$ per cent. ; and, when it was paid, their means of supplying their customary wants would be diminished by 40 millions 43 dec., even with a reduction of one-third in their cost. In the fourth case, the rest of the community would find the burthen of their taxation increased $58\frac{9}{10}$ per cent., and that their money incomes would be deficient by 58 millions 67 dec. for the supply of their customary wants, although their prices would be reduced one-half.

The subject may still be viewed in another light. The fifth set of tables assumes the sale price of the produce of the annual labour of the people to be 500 millions, or 175 millions derived from our soil, 175 millions from manufactures, and 150 millions as the produce of the hoarded labour of past years, of which 100 millions are considered to be the proceeds of the raw materials used, and 400 millions as income. Thus making the taxation divisible over 450 millions. In this division the condition of those having fixed money incomes differs by only a very small per-cent-age, from what it has been shewn to be in the fourth set of tables, and that of the rest of the community shews also but a slight difference. The positive burthen of their taxation, in the third case, would be increased just 30 per cent., and their money incomes would be deficient by 39 millions 45 dec. for the supply of their customary wants ; therefore their demand in the markets of the country would be destroyed to this extent, at the least. And in the fourth case the positive burthen of their

taxation would be increased $57\frac{2}{3}$ per cent., and their money incomes would be deficient to meet the cost of their customary wants by 57 millions 04 dec., even with a reduction of one-half in their prices.

The sixth set of tables shews the same calculations as in the fifth, with the exception that the fixed money incomes are computed at only 100 millions. Here again the condition of those holding these fixed money incomes is shewn to be very nearly the same, as it is seen to be in the fourth and fifth sets. But that of the rest of the community is somewhat different. In the third case, the positive burden of their taxation would be increased barely 30 per cent., and their money incomes would be deficient by 26 millions 30 dec. to meet the cost of their customary wants, even with their prices reduced one-third. And in the fourth case, with an increase of $57\frac{7}{10}$ per cent. on the burthen of their taxation, their means would be deficient 38 millions, even with the cost of their customary wants reduced one-half.

Now a reduction in the money cost of the labourer's subsistence effects an equivalent reduction in the money prices of commodities, yet this fall in price does not constitute cheapness : for positive cheapness can only be had from our obtaining a larger number of products from a given quantity of labour. It only produces a reduction in our scale of market prices ; and the very disastrous effects resulting from it, under the anomalous position of the country, is sufficiently proved by the calculations in these various sets of tables.

When the effects of the repeal of the corn-laws shall

come into full operation, after two or three abundant harvests here and on the continent, our scale of market prices will be reduced, at the least, one-third ; that is, it will be brought down nearly to the level of the scale prevailing in France before 1846 ; and the third case of the fourth and fifth sets of tables shews what the condition of the people would be, with the taxation charged as a per-cent-age rate upon income. That the condition of those holding fixed money incomes would be vastly improved, whilst the rest of the community, having the burthen of taxation increased 30 per cent., would find their means deficient by 40 millions to meet the supply of their customary wants. And, further, if our scale of market prices should be reduced to the level of the average of those prevailing in the other states of Europe, as ultimately may be the case ; then the fourth case of the fourth and fifth sets of tables will give some idea of what the state of the country will be. That the condition of those having fixed money incomes will be further greatly bettered, whilst the rest of the community, having the burthen of their taxation increased $57\frac{2}{3}$ per cent., would find their money incomes deficient by 57 millions to meet the supply of their customary wants, even with a reduction of one-half in their prices. Such are the results of trade regulations based upon the doctrine of gold being the measure of value.

It should, however, be considered, that these results arise from taking the taxation as a per-cent-age rate upon income ; and that, with our revenue chiefly raised upon person, from taxes upon consumption, the condition of those having fixed money incomes would

be improved in a far greater ratio ; whilst that of the rest of the community would be deteriorated very much more, than is shewn by these tables. And it should also be borne in mind, that all these calculations have been made on the assumption that the same quantity of labour will be set in motion under a low scale of market prices, as under a high one. But this cannot be the case ; for, with so very unjust a division, giving, to those holding fixed money incomes, so large a share of the produce of the annual labour of the people, the command of the rest of the community over the markets of the country would be diminished 50 or 60 millions, and perhaps to a greater extent. Against this reduced demand from the many, the increased purchases of luxuries and conveniences, by the few, could countervail little. The sum of the products of labour would be diminished, and there would be great loss of employment to the working-classes. Their condition would be wofully deteriorated, and to an extent that could not patiently be borne.

These various tables may so far prove the truth of our proposition. In them, the actual sums collected in taxes might have been divided over the computed money sum of the national income ; and, with some labour, various minor matters might have been brought into the calculation, yet without making any very perceptible difference in the results. Besides, the aim has been to give a succinct, yet clear elucidation of principles, rather than to shew their exact application in minute detail. And if these statements should be received as the truthful exposition of the merits of the case, which they are intended to be, then at once we

arrive, by fair inference, at an easy solution of various enigmas, which are otherwise inexplicable, as thus—

1st. We may thus readily understand why we were enabled to bear, with comparative ease, a taxation of 73 millions in 1814, whilst frequently since, the collection of 50 millions in taxes has been felt a grievous burthen. Because the money sum of the national income, over which the 73 millions of taxes in 1814 was spread, gave a less per-centage charge of taxation, than has the money sum over which the 50 millions of the present day has become divisible. Moreover, in 1814, with war charges, and with wheat at 73*s.* 11*d.* the quarter, the loans, contracted for the public service, led to an extension of issues beyond what we had ever before seen, or have had since. And which, by leading to an extension of credits, gave means for holding the stocks of goods, and for the time raised their prices. And because, from the 50 millions of taxes becoming divisible over a less money sum of income, of late years; there has been produced a very different division of the produce of the annual labour of the people, than that which existed in 1814. Thus causing the taxation, of late years, to be less severely felt by the few; yet rendering it a grievous burthen upon the many. The humbler classes were much better off in 1814, with wheat at 74*s.*, than they now are at its present price of 46*s.* the quarter.

2ndly. We may now be able to see something more of the nature of the different panics, so styled, which we have experienced, and may now be better able to judge of their causes and effects. As when, by a

sudden and great reduction in the issues of notes, or by the banking bodies largely increasing their reserves in consequence of the Bank directors refusing discounts, a drag has been put upon our machinery of credits, by which the labour of the people is set in motion, and its products are sent into distribution; then a fall of 20 to 30 per cent. in our scale of market prices has ever been a necessary consequence. The imports of foreign produce then ceased to be remunerative; our exports of British manufactures to obtain them were suspended, and the working-classes were thrown out of employment. From the reduction in our scale of market prices, the taxation became divisible over a less capital money sum of income, and thereby a division of the produce of the annual labour of the people was produced, different from what had previously existed. Yet a change eminently beneficial to those having fixed money incomes; but most injurious to those who had them not. A change disastrous to the least wealthy of the middling classes, and most disastrous to the whole body of the operatives. And from the diminished demand of these two classes, there has ever been a falling off in the home demand, thus producing still further loss of employment to the working classes.

But these were not the only effects produced. For from our most impolitic measures of raising so large a proportion of the public revenue upon articles chiefly consumed by the greater numbers of the working-classes; with the diminution of their employment and means, the public revenue fell off below the national expenditure. Previous to 1820, the public accounts

were kept in such a way, as only to give a glimmering of what the former state of things had been ; yet sufficient to shew something of the like results as have since taken place. The surplus income of the country, beyond our expenditure, was 3,049,156*l.* in 1825, and the deficiency was 645,919*l.* in 1826, and 826,674*l.* in 1827. The surplus income of the country was 2,913,673*l.* in 1830 ; and the deficiency in 1831 was 698,857*l.*, with a surplus of only 614,759*l.* in 1832. The surplus income of the country, beyond our expenditure was 2,130,092*l.* in 1836 ; and there has since been a deficiency of income, increasing from year to year, until the institution of the income-tax, a tax rendered imperative upon us solely by our own folly. The state of the revenue most distinctly proves the affirmative of our proposition ; shewing that we have ever had an increasing revenue, when our scale of market prices was advancing ; and the reverse, according as our scale of market prices was lowered.

3rdly. We may now be able to see why we have ever had the most extended trade, and an increasing public revenue, with high commercial prices ; and the most limited trade, with a declining revenue, coincident with low prices. Because, increased trade necessarily implies an extension in the issues of notes, and consequently of general credit, which alone, in the condition of the country, can set labour properly in motion. The extension in the issues of notes, and of general credit, give increased means for holding the stocks of goods ; and thereby their prices are advanced. With this increase in our scale of market prices, the capital money sum, over which our taxation becomes

divisible, is augmented ; and thus the per-centage charge upon the incomes of the people being reduced, its burthen upon them is rendered more easy. And not only so, but, from our taxation becoming divisible over a larger money sum of income, there is produced a more equitable division of the produce of the annual labour of the people amongst the whole community. Therefore, there is an increased demand in the general markets of the country, for the products of labour ; or for the returns obtained for them when exported for sale elsewhere. And the public revenue, chiefly collected upon articles of consumption, is thereby increased.

And *vice versâ*, a diminished trade is first the result of diminished means for carrying it on. There may be no reduction of capital, but what is the same in effect, of the issues of notes and of general credit ; reduced means for holding the stocks of goods cause a fall in our scale of market prices. The taxation, becoming thus divisible over a smaller capital money sum of income, gives not only a larger per-centage upon all, but also produces an unjust division of the produce of the annual labour of the people. Consequently the demand of the great body of the people in the general markets of the country is reduced, trade languishes, and the public revenue, as derived mainly from articles of consumption, falls off.

4thly. We may now obtain the solution of a singular enigma. During the past twelve or fifteen years we have seen a large town spring up between Bayswater and Paddington ; of houses, many of them inferior only to the mansions of the nobility, and a part of

them no way inferior. And, until the last two or three years, they appear to have become occupied nearly as fast as they were built. Whilst during a part of the time, we have seen numbers of builders in the *Gazette* who were ruined building smaller houses elsewhere, in consequence of tenants not having been found for them. And the returns from the Poor Law Commissioners, and various other statistics, in part public, and partly supplied by the praiseworthy benevolence of individuals, all tend to prove, that there has been a vast extent of distress and suffering amongst the humbler classes during the same period. The bettered condition of the higher classes cannot have arisen from any increase in the national wealth. Because the wealth of the nation is relative to the quantity of labour which may be set in motion within it ; and we have decisive proof, that the working-classes have lacked that employment, during the greater part of these twelve or fifteen years, which they previously had. It is idle nonsense to talk of this distress amongst the humbler classes, as arising from the numbers of an overgrown population of labourers. Our numbers give our power and wealth, if we set their labour properly in motion ; and we, in our folly, have deprived them of occupation and made them poor. We have before found occupation for our increasing population ; and we can easily do so still, if we take the proper way of setting about it. But our foolish banking and trade measures have grievously tended to deprive them of employment.

We can thus now see the true cause of the change in the relative condition of these different classes.

That, in carrying out the false principles of the bullion report, and from our constant endeavours to produce a low scale of market prices, we have reduced the capital money sum of the national income over which our taxation becomes divisible, in a greater ratio than the reduction in the sum of the taxes collected, thereby increasing its burthen upon us. And thereby too, we have effected a new division of the produce of the annual labour of the people ; which adds to the riches of the wealthy, but impoverishes the humbler classes. The rich can increase the sum of their luxuries and conveniences ; but, of the humbler classes, many have been driven into absolute poverty ; and the rest must reduce the amount or quality of their customary wants from lack of work.

In thus proving the affirmative of our proposition by demonstration, and by fair and legitimate inference from circumstances as they are presented to our view, at the same time we arrive at an easy solution of the above, and various other enigmas, which are otherwise utterly inexplicable.

The public returns of our export and home trade, since the peace of 1815, equally prove the affirmative of our proposition. They distinctly prove what has been inferred above, from the different divisions of the produce of the annual labour of the people ; that we have had the most extended export and home trade, when our scale of market prices was advancing : and that there has ever been a decrease in both, according as our scale was lowered. The statements made of them, as divided into cycles of five years each, and the remarks arising from a comparison of their extent at

different periods, are much too voluminous for present insertion. But it may be advisable to notice a few of the general principles upon which our foreign trade has been conducted. And two branches of our exports are selected, as the subjects of our observations.

First, of our trade with Russia. We are the largest purchasers of Russian produce. The rates given for the surplus quantity, which there may be of any article, form the price for the whole stock of it at market; and the rates, which our markets here enabled us to pay in Russia for its produce, fixed the prices which other nations had also to pay. Our chief exports to Russia were cotton twist, and the foreign produce which we obtained by the sale of our exports in distant parts. As far as cotton goods are the produce of machinery, we are, at the least, on a par with other manufacturing nations; and we only differ from them, as to cost, in the higher money wages paid here for conducting the operations of our machinery,—minus the advantages which we possess for producing at the least specific cost. France may send her wines, her silks, and some of the finer cotton fabrics to Russia at a less money cost than that at which they can be obtained here. But France has not the power to extend her trade with Russia, that we have had. For at the cost which the purchases for England give, the produce of Russia is not, by much, within the command of the French consumers, with their lower scale of prices; as it has been within the command of the consumers of this country, with our higher wages, and consequent higher scale of market prices.

And Russia has a decided interest in our higher

scale of prices being maintained. In that, as we produce goods at the least specific cost, if the Russian pays a higher money price for some of our products ; still he obtains a full equivalent for it, in the higher money prices for his own produce, and greater demand for it, which that higher scale here alone enables us to give. And not only so ; but, from our greater demand, the Russian is enabled to obtain the like prices from other nations, whose scales of prices are lower than ours. Thus Russia must acquire much greater advantages than she could obtain by supplying us with corn duty free. By the total abolition of our corn laws, and navigation laws, we can readily reduce our scale of market prices here, nearly to a level with those prevailing in most of the European states. But that being done, the market prices of the produce of Russia must be reduced, in exactly the like proportion; for otherwise our consumers would not have the same command of it, which they have had ; and our trade with that country would be seriously impeded. And, if we paid a less sum for his labour, we should thereby diminish the Russian's power of taking the products of our labour. In the one, or the other, and still more likely on partly both of these ways, our trade would be diminished by a reduction in our scale of prices, most certainly not extended.

The abrogation of our corn and navigation laws cannot enable us, in any possible way, to obtain the products of the labour of the people at a less specific cost, which can alone constitute cheapness, beneficial alike to ourselves and to the nations with whom we trade. Their abolition would merely produce a lower

scale of money prices (not cheapness), which would be most injurious, alike to all the best interests of this country and to the interests of our colonies, part and parcel of ourselves. And which must also prove highly injurious to our trade with the other nations of the world ; unless we can persuade them to reduce their scales of prices, in the like ratio, that ours may be lowered. A lower scale of prices, for the products of Russian labour, is attainable only in two ways ; either from the Russians obtaining a larger number of products from a given quantity of labour ; or from their money wages being reduced. And it is by no means clear that it is the interest of Russia to adopt measures for effecting a reduction in the money wages of labour throughout her territories, in order to effect a sale, to England, of an increased quantity of the surplus products of her labour. And still less is it clear that Russia has the ability to do it. Yet it is sufficiently clear, although we have chosen, for the present, to proceed full sail on the opposite tack, that it must be the true interest of the Emperor of Russia to increase, by every fair means, the scale of money prices in his dominions, as being the sure stamp of the increased comforts and enjoyments of his subjects. Therefore, upon the uncertainty of the proceedings of Russia with regard to her scale of prices, the abolition of our corn and navigation laws would effect a singularly odd one-sided reciprocity of trade.

Secondly, of our trade with the United States. The American States have been our greatest customers for British produce and manufactures ; and, besides other goods, we take from them in return two-thirds of their

exports of cotton ; the other nations of Europe taking the remaining one-third. It must, however, be noticed that a large part of the foreign trade of the United States is carried on by credits upon London and Paris, provision for which is made by shipments of cotton, and other produce, to England and France. The exports of British produce and manufactures to the States, in money value, were 10,568,455*l.* in 1835, and in 1836, 12,425,605*l.*; averaging 11,497,020*l.* a year. The like exports were 4,695,255*l.* in 1837, and 7,585,760*l.* in 1838 ; averaging 6,140,492*l.* a year. They have since averaged 6,406,301*l.* to the end of 1845. Thus, with the high prices paid for American produce in our markets in 1835 and 1836, our exports of British produce and manufactures to the United States were great. But, in consequence of our panic in 1836, the effects of which were most prejudicial to our commercial relations with that country, the prices here of American cotton were much reduced, and therefore our usual exports to the States were also diminished in extent. They have been so, quite irrespective of the effects, which their respective tariff may have produced.

Cotton is the produce of slave labour, and its money cost cannot be calculated like that of the productions of Europe, according to the quantity of money wages expended. The profit of the slave-holder is the sum of the proceeds of the produce of the soil, which remains after the cost of the food and keeping of the slaves, chiefly given by the soil itself, has been paid. And having the slaves and the soil, the proprietor must employ them ; whether that profit be large or

small. Nevertheless, our dealings with the United States are conducted upon the same principles, which regulate the other branches of our export trade. The trade between any two nations is in the barter of the products of the surplus labour of each, as calculated in money price, which in itself never varies, although the market prices of the goods do vary materially, that is, the quantities exchanged against each other do vary. If we buy at high prices, we can sell at high prices ; or, from competition with each other, in increased quantities. And if we can buy only at low prices, we must also sell at reduced prices, or else in diminished quantity. The truth of this is most distinctly shewn in our trade with the United States.

The free traders give the converse of this. They are constantly ringing in our ears Mr. Cobden's alleged axiom, "that we must sell cheap, if we wish to buy cheap." This too may be abstractedly true, provided that a clear definition has been given of what constitutes cheapness, and that right ideas are entertained by men of what it truly is. In the minds of the free traders, however, by cheapness is meant a reduction in the money cost of goods ; and, in this sense, it is not an axiom, but a simple proposition, which is false in principle, and most injurious to all the best interests of the people, when practically applied to the regulation of the trade of the country.

It was contended by the league, that the corn-laws were a tax framed by the landlords for their own peculiar benefit, that they proved a serious hinderance to our trade with other nations. And so many persons in this country having been brought to this belief ; it

is not to be wondered at that foreign nations have most unwiseley held, that our corn-laws were unjust, and injurious to their interests. It is a most grievous error. For it can be proved, that the corn-laws are not a tax, properly so called ; that they are not a tax made for the benefit of the landlords individually, and that they are equally beneficial to all classes, under the anomalous position in which this country is placed by the enormous amount of its debt. And it has now to be shewn, that their total abolition could confer no benefit on the United States, nor on ourselves in our trade with them.

A nation, whose land may not be wholly occupied, may find its greatest advantage to result from the application of the industry of its population to a virgin soil, which yields large returns ; and, therefore, most beneficial, to employ its chief energies in cultivating an export trade, for the best sale of the produce of its soil. Whilst it may be the true interest of another nation, with more limited territory, to turn its chief care to the extension of its manufactures. And, thereby finding occupation for its increasing population ; thus give a stimulus to the cultivation of its soil, for the supply of the internal demand ; seeking only to obtain foreign luxuries, and conveniences, by the export of its manufactures. In a country, so extended as that of the United States, the different sections of it may have opposite interests. The northern states may contend for a tariff, which shall compel their southern brethren to take their manufactures at an enhanced cost,—that is, the exchange of an increased quantity of raw cotton, for the manu-

factured article. Whilst the southern states may desire that there should be no tariff, or only a small one necessary for the wants of the Union, in order to afford them a more extended demand, and higher prices for the produce of their lands. This is a question, which they must settle amongst themselves.

But as a national question, there can be no doubt, that the American people, as a body, would lose very much more by the lower rates, which they would get for their cotton, and other goods, at a reduced scale of market prices here, consequent upon the abolition of our corn and navigation laws,—than they could possibly gain by the free entry of their bread stuffs here, in competition with the corn of the north of Europe. The one would be a constant benefit, the other only a temporary advantage, as our necessities might require additional supplies. Besides, the Americans would then get, for the remaining one-third of their exports, no higher prices from the other nations of Europe, than they could then obtain from us. And, as regards ourselves, in the ratio of the fall in the money value of American produce here, consequent upon the reduction in our scale of market prices, would our exports to the States be diminished, just as is seen to be the case since 1836. The money value of that part of the produce of the States, which is derived from slave labour, would be lowered in the ratio of the reduction in our scale of prices; for the slave-holders have no alternative. But in the like proportion, if not in a much greater one, we should reduce the power of the southern states to take the

products of our labour. For, in that proportion, their whole money incomes would be reduced ; whilst, of the cost of their wants, there would be a reduction on that part only which we supply of them. As the other nations of the world, who also supply a part of their wants, would never think (with any consideration for the true interests of their population) of reducing their scales of market prices, as we seem wildly bent on doing. And, further, the export trade of America, with foreign nations, would be diminished, in the proportion of the reduction in the sale prices of their produce, which they sent to Europe to feed their credit accounts there.

It has been already shewn, that, with the exception of the few in numbers holding fixed money incomes, the condition of the rest of the community, here, would be woefully deteriorated by the abrogation of our corn and navigation laws ; producing severe distress and misery amongst the working-class, the great body of the people. And it is now thus shewn, that their abolition would be most injurious to the United States, and to our trade with them ; and the same more or less to every nation, with whom we trade. We have seen the severe commercial distress, with which we were afflicted last year, pervading the whole of Europe, and our colonies, in a greater or less degree. So intimately are the interests of the different nations connected with each other ; that, when one of them suffers, the whole are made to feel it in some degree. It is this consideration, when rightly apprehended, which forms the strong tie of peace, amity, and good-feeling amongst the different members of the one great family

of the human race, scattered over the face of the globe.

The mill-owners, and the manufacturing interests generally, have committed a very grievous mistake, they have done themselves a serious injury ; yet, it is only a new illustration of an old story,—about killing the goose to get at the golden eggs.

As, with the many and various advantages possessed here, we can produce our manufactures at a less specific cost,—that is, we obtain a greater number of products from a given quantity of labour, than do the other manufacturing nations ; the mill-owners, and the supporters of their measures fancied, that, if they got the corn-laws repealed, they would have cheap labour, and be enabled successfully to meet the foreign nations in their own markets. It was a grievous mistake on many accounts. The most moderate amongst those now leading the movement party on the continent, who have the power of truly estimating the national feeling, do most unhesitatingly state, how they are fully aware, that England attained her great commercial prosperity by her restrictive duties, and consequent high scale of market prices ; that the English people may now do as they please, but that the Germans will not consent to alter their tariff. We cannot blame them for it, having truth on their side. For, with the exception of Russia, the other European states, having limited territories, find it to be their true interests to afford encouragement to their home manufactures, in order thereby to give a stimulus to agriculture, the true source of their wealth. The members of the Zollverein

are more likely to be extended, than diminished, as tending to unite the German nation in one community of interest, and we ought not to expect, that they will reduce their restrictive duties. Even if they did so, still our trade with them must be diminished, not extended ; unless we can also persuade them to reduce their scales of prices, in the ratio that ours will be ; and it is not their interest, nor have they the power to do so.

The mill-owners and their adherents have attempted to give extension to four-tenths of our exports, by means which render their aims perfectly unattainable. Our only power of extending these particular branches of our foreign trade, is by producing such a scale of market prices here, as will give the best sale for the products of the labour of the other nations, not subject to our restrictive duties ; and then they will take, as returns, an increased quantity of the products of our labour.

In their vain attempts to accomplish what was unattainable, by their proceedings, the measures of the mill-owners and their adherents, have destroyed the great value which our extensive colonies might be to us, with our limited territory. And not this alone, but they have seriously damaged the other six-tenths of our exports. They not only put a stop to that great increase, which was regularly going on, up to the end of 1845 ; but have caused a material decrease in them, which will be rendered still greater, when their measures come into full operation. They deprive us of that far greater increase beyond what we have yet seen, which we might have from these six-tenths of

our foreign trade, with a high scale of market prices, and with a sound system of banking suited to the wants of the country. And, even still further, when the effects of the repeal of the corn-laws shall come into full force, our home trade must be destroyed to an extent in money value, exceeding the whole sum of our present exports. And can there be a greater instance of folly than such their proceedings? They have effectually killed their goose.

The truth seems to be this. That the manufacturing interests found their condition very different, from what it had been; and they could not perceive, that this alteration in their circumstances was chiefly caused by our erroneous system of banking. They were therefore determined to have a change; and they seized upon the delusions held out by the Anti-Corn-Law League, as a means of effecting it. But they were not alone to blame, for the greater part of the learned, liberal, and scientific professions also found their circumstances much altered; and they, too, were equally anxious for a change. They have got it, as the manufacturing interests also have,—something like getting out of the frying-pan into the fire. And the powerful aid of the great body of the working-classes was secured, by the delusive hopes held out to them of getting cheap bread. They have got their bread at a less money cost, and, when the effects of the repeal of the corn-laws come into full operation, its money price will be still lower. But they already find the promises held out to them, have not been realized; they find that they have not the same command of food, and of their customary wants, as they

had at their higher prices, with their then better wages, and full employment. And, when our scale of market prices shall be brought down to the level of those prevailing in the continental states, their power of purchase will be further materially reduced, with greatly increased distress and suffering brought upon them.

The learned, liberal, and scientific professions do not directly, of themselves, increase the wealth of the nation ; still they most materially, and effectually aid in rendering the labour of the working-classes more productive. Be it, in securing to them the full enjoyment of the produce of their labour,—or in affording them necessary instruction,—in curing the diseases, to which they are liable,—or in the discovery of means for rendering their labour more effective for the attainment of desired ends. And, according to the aid afforded by them, these classes receive a due share of the money sum of the produce of the annual labour of the people, in accordance with the laws, and the social institutions existing in the country. When a nation is advancing in wealth, and prosperity, these classes thrive greatly ; but, when it is on the decline, they are amongst the first to feel the change and to suffer the most severely from it. When our scale of market-prices shall be reduced to the level of those prevailing in the continental states, the condition of these classes will then undergo a singularly odd change. The physician cannot then expect to receive, at most, more than two francs for a visit ; we should not then be able to pay our puisne judges more than 350*l.* a year, just what the judges of the high court of Berlin

now receive ; and the others would be paid in the like proportion. But this is no subject for joking. The idea of a country on the decline—sinking in greatness, as we gradually are—and must shortly be borne down much more rapidly, unless we change our present measures—is an awful consideration.

One step, made in the road to error, is ever sure to lead to increased difficulties, as we advance. The evils resulting from our erroneous system of banking, as based on the false doctrine of gold being the measure of value, have unquestionably led to the adoption of our present trade measures, as based upon the same utter fallacy. And now that, as could alone have been expected, the latter are found to answer equally ill, it is sought to increase our difficulties still further, by abolishing the navigation laws. Just like the quack mentioned in “ Gil Blas,” who stoutly maintained that his patients had not all been killed by his over-bleeding them ; but that they had died, in consequence of the depletion having neither been commenced sufficiently early, nor been carried far enough.

If all the objections, brought against our navigation laws, were admitted to be true ; still the real merits of the case would remain perfectly untouched. As far as the evidence against these laws has been published, the whole of it can readily be admitted to be true. For what is the sum of it ? That the foreign nations, with inferior materials, produce ships at a low money cost, which are perfectly serviceable for a short number of years,—that they can provision them at a less money cost,—and that, paying lower money wages they can afford to carry goods at a much less charge

per ton, than British vessels can. Beyond this, there is merely the fallacious expression of individual opinion. Still all this is quite beside the true merits of the question.

As to the principles involved in it, the question is ; whether gold, or labour, be the true measure of value ? and whether a high, or a low scale of market prices, be the most advantageous to our trade, internal and external, and to the wellbeing of the people of this nation.

And as to its practical details, the question is, whether, of the like materials, a given number of foreign shipwrights, mast and sail makers, and riggers, can turn out a vessel of five hundred tons in a less number of days than the like number of British workmen can ? The workmen of each nation producing their ship, in the same number of days, the value of each, and of all would be the same ; whatever might be the difference in their money cost,—that is, if labour be held to be the measure of value, as it truly is. But the greater enjoyments derived from the higher wages paid in England, in exciting the desire for a still larger share of luxuries, have the effect of producing a superior class of industrious workmen here, better fed, and stronger. And it is beyond all question, that a given number of British shipwrights, mast and sail makers, and riggers, will turn out a vessel of five hundred tons in a less number of days than the foreigners can ; therefore our ships are the cheapest. The northern men are steady, sure, but slow. Besides, we obtain the produce of our soil at the least specific cost ; therefore we can provision

our ships the cheapest. And the higher money cost of our provisions, and the higher money wages paid to our seamen, form a part of our higher scale of market prices. Our incomes are just proportionate to it.

Then would it be any national benefit to us to be placed in competition with the poorer nations of Europe ; and to have our wages, and scale of market prices reduced to the level of theirs ? Our higher scale is certain proof of our greater ease, comfort, and wealth. Reduce it, and then we shall become poor, as they comparatively are. And as the free-traders seem to wish, that we should be ; at least, they have been doing their utmost to effect it.

Individual interests must be laid aside in this, as in every national subject. And it is most unjust to make our navigation laws a question between the British ship-owners and the rest of the community ; as the free-traders desire to make it appear, by asserting, that our ship-owners merely seek to maintain a monopoly. It may be inferred from the evidence given, that, with their smaller capitals, it is for the interest of the northern nations to employ vessels made of inferior materials ; as being more in accordance with their lower scales of market prices. Whilst with our larger capitals, and higher scale of prices, it is most beneficial to individuals, and by much the cheapest in the end, as well as being a national benefit, to have more costly ships of teak and oak which shall remain serviceable for three or four times the number of years that the inferior shipping of the north is. Besides, the northern nations have, at their door, a superabundance of inferior materials for shipbuilding ; therefore, it is

their interest to render them productive, and to clear the ground, now rendered productive also by the annual decay of the foliage of the trees for thirty or fifty years, and even more. But we have no greater supply of building materials than we want ; therefore we use those which are the most durable. It is the rates given for the larger number of inferior northern shipping, which fixes the freights for their smaller part of a superior class ; equal perhaps to a considerable part of our shipping in quality.

There is however a national consideration, in that our superior class of shipping affords a much greater security for our properties, against the perils of the seas. We can insure against individual risk, but we cannot insure against national loss. Then, what was the loss of life, and of national property, when we employed our fir frigates ? great. The *Bombay Grab* was accidentally destroyed in harbour by fire, after she had buffeted the winds, and waves, for ninety years. It has even been said, how truly is not known, that the chunam, or prepared lime, with which her bottom was originally covered, had never been disturbed during the whole period. The *Betsey Cairns*, which brought King William from Holland, was lost in the coal trade, only some five-and-twenty years ago, from having been driven on a sand-bank by stress of weather. But she, like the so-called individual knife, may at different periods have had a new handle, and a new blade, or something nearly like it. And, it becomes a national consideration also ; whether so large a class of valuable workmen, as our shipwrights, mast and sail makers, and riggers, should be thrown out of employment ;

and that the interests and wellbeing of our valuable mercantile marine should be seriously impaired, if not destroyed ; in order that the mill-owners may export their fabrics, and get back the returns for them, at reduced charges, by the employment of foreign shipping. Apart from all national considerations, and as solely amongst ourselves, it could be viewed in no other light, than as robbing Peter to pay Paul.

But the main point is this. That our navigation laws form one of the means, and a chief one, for our attaining a high scale of market prices. That, burthened with our great debt, they have formed one of the chief means of our attaining our past high commercial prosperity. And would their abrogation now be any national advantage to us ? that thereby, and of necessity, the burthen of our taxation should be increased ; — that a most unjust division should be effected, amongst us, of the produce of the annual labour of the people ; — that the trade of the country, internal and external, should be most seriously damaged ; — and that, not only our shipwrights, mast and sail-makers, riggers, and seamen, but the whole body of the working-classes should lack employment, and be driven into distress and suffering. We have already made large inroads upon our navigation laws, without reaping adequate benefit from it ; and no man of a rightly reflecting mind duly exercised, could seriously think of making any further material alteration in them. Rightly considered, as tending to increase our scale of market prices, our navigation laws are not only beneficial to ourselves, but also to the nations with whom we trade, as we are their largest

customers. And the same line of argument applies with equal force, in the consideration of the effects produced by the repeal of the corn-laws.

Viewed correctly, the question upon corn-laws, and differential duties, is a plain and simple one, as thus,—

No man, in his right senses at the moment, would ever think of proposing a match between a heavy cart-horse and a racer ; their nature and properties being very dissimilar. But, put the two horses into separate carts, each with a ton and a half at his heels including the weight of the carts themselves, and the cart-horse shall march gaily along, whilst the racer must be at a standfast upon any roughness, or slight inequality in the level of the road. Still there is a very easy way of meeting the difficulty. Let the loaded carts, with the horses in the shafts, be placed abreast upon separate lines of a tram road, for the purpose of reducing the friction, and thereby increasing the power of traction ; and, fairly started, the racer can speedily leave the heavy cart-horse far behind.

Now this is just what we want. Our public debt exceeds in amount the sum of the collective public debts of all the other European states ; and its weight is so heavy upon us, that at times we have been brought nearly to a standfast. It is an absurdity to suppose, that, unaided, we can drag this heavy weight along, in competition with other nations, whose debts are light comparatively with the weight of their numbers. To give us aid and ease, we must have, as a tram-road, a high scale of market-prices ; and as they are advanced, the burthen of our debt becoming thereby

proportionately reduced, we can then drag it easily along. But we cannot attain such a high scale, except by corn-laws ; and having them, as essential to our existence as a trading nation, we are then compelled to have differential duties upon the imports of such articles as we produce here ; and differential duties too, but not to quite the same proportionate extent, upon most of the foreign articles, such as are produced in our colonies,—they being part and parcel of the British empire, their inhabitants being entitled to the same measure of justice, as is meted out to the population of the United Kingdom. With our scale of market prices brought down to the level of those prevailing on the continent, as would be the case after two or three abundant harvests in Europe, we should not need any differential duties ; for the prices of the products of labour here, and for similar products of labour on the continent, would then be much the same. But this would be most ruinous to us. The burthen of our debt would be increased, at the least, full 30 per cent., very likely much more, even with a revenue raised by a per-cent-age rate upon income : but with a revenue raised as at present, mainly by duties upon articles of consumption, the increased burthen upon the bulk of the community would be far greater ; and in our then impoverished circumstances, not much more than one-half of the labour would be set in motion, than there has been. Such a state of things could not be expected to be quietly borne ; a revolution in the existing order of society would become inevitable.

But in restoring a high scale of market prices, with differential duties, not such as we formerly had, but

such as would be an exact equivalent for the difference, between the scale of prices produced here, and the scales prevailing on the continent, and nothing beyond this ; we should perform an act of justice to ourselves, and at the same time do no injury to the nations with whom we trade. So far from an injury, we should be conferring a benefit upon them, as well as on ourselves. For, with such differential duties, we should offer to the foreign nations the same markets for the products of their labour, as they would have, were our scale of market prices reduced to the level of theirs. We should offer to them as good a market for the surplus products of their labour as they have at home, or could have in any of the European States ; thus extending their power of sale. It is well worth repeating. The public debt of a nation has the effect, under certain circumstances, of causing an increase in its scale of market prices ; but, under less favorable circumstances, that debt has a tendency to decrease its scale of prices, and to add to all its difficulties. And, upon our scale of market prices being brought down to a level with those prevailing on the continent, when the effects of the removal of our corn-laws and differential duties shall come into full operation ; we should not be able to offer to the foreign nations a better market for the products of their labour,—ultimately from the weight of our debt, probably a much worse market,—than they would have with corn-laws and proper differential duties existing here. Whilst, besides all this, with corn-laws and differential duties here existing, we should offer them the best market in the world for such products of their labour, as are not subject to our

differential duties. We should not only thereby, as before we have done, increase their power to take the products of our labour ; but we should also increase our own power of consuming the products of their labour. With corn-laws, and proper differential duties we can greatly extend our export trade, if we take proper steps for effecting it ; but not otherwise. Without corn-laws our export trade will be gradually diminished, it will for the greater part vanish from us, as we already find to be the case.

Then, are not “protective duties a necessary good ?” although Sir Robert and Mr. Cobden assert, that they are not. Is not “protection to native industry in itself, and abstractedly, a positive good ?” although the worthy pair deny that it is.

There is one branch of the question upon the corn-laws, which may be here stated on account of the conclusions, that can now be shewn to result from it.

A manufacture is a mere conversion of substance, as thus :— The pound weight of steel, of the money cost of twopence, may be divided, and subdivided ; and labour, and great skill may be employed upon these subdivisions, in order to adapt them to the requirements of art and science ; until the pound weight of steel may be brought to a cost of fifty pounds sterling. Still, there is no increase of substance given ; but rather a decrease of weight in the process. And, with a supply just adequate to the demand, the sale of the manufactured articles will only repay the labour expended, and afford a due remuneration for the capital employed.

Then, mark the difference between the works of

man, and of his Maker. Capital employed in the cultivation of the soil obtains a large increase of substance. Generally a produce is obtained, beyond what is sufficient for the repayment of the labour expended, and for the due return upon the capital employed. The farmer is the manufacturer, and gets a share of the produce—to repay him for the labour he has expended—to make him a return upon the capital he has employed—and also to afford him a due consideration for the skill he has exercised. And what remains above these portions of the produce of the soil, is the landlord's rent : be it a corn rent, or an equivalent for it, a money rent. Different soils have different powers of productiveness ; either inherent in their nature, or according to the extent of capital laid out in their improvements. If the soil gives a produce, which will only repay the labour expended, with the due return for the capital laid out upon it ; then no rent will be paid for it. And if the produce of the soil be not sufficient to repay the labour expended, and the capital employed ; then it will cease to be cultivated.

Seeds and farming utensils are the produce of labour ; and when used, or when worn out, become labour expended. So likewise, the raw materials of manufactures, the necessary buildings and machinery are the produce of previous wages paid. The soil then, we repeat, gives not only a produce sufficient to repay all the labour expended upon it, with a due return upon the capital employed, as does the sale of a manufactured article ; but also an increase of substance, the blessing of his Creator upon man, — gives

a further surplus produce, which a manufacture of man does not. The extent of this surplus is usually considered to be, on the average, one-third of the whole produce of the soil. It is a marketable article, the same as any manufacture, rent being the consideration given for it. And the farmers, who buy it, must surely be the best judges of the value of what they purchase.

There is no part of Adam Smith's works, which is more truthful than his assertion ; that “according to the extent and produce of its agriculture will be the amount of productive labour, which is set in motion within the nation.” And it must be self-evident, that the exchange of British manufactures for foreign corn can give employment to only one-half the quantity of labour, which would be set in motion by the exchange of the like amount of manufactures against British grown corn. Therefore such imports of foreign corn cannot possibly add to, but must diminish the wealth of the nation ;—Adam Smith's doctrine being, that the wealth of the nation is in the ratio of the quantity of productive labour, which is set in motion within it. The corn, we should import, would be positively dearer ; that is, would be produced at a greater specific cost than corn grown in England, whatever might be the money cost of the latter. And it also must be self-evident, that the low money prices of such imports could be no benefit to us, but on the contrary a great evil ; for in the like ratio would our market prices, would our money incomes, would our rate of wages be reduced ; and then the burthen of our great debt would tell fearfully upon us, as has been shewn. The corn, which we should import, would not only be

dearer to us, than what is produced here ; but, by such imports, we should give up to foreign nations that one-third of produce, which our soil yields, beyond what is sufficient by its sale, to repay the whole cost of cultivation, and to make a due return to the farmer for his employed capital and time. The folly of the cotton lords is only equalled by their ignorance of the true merits of the case. They fancied, that, by importing foreign corn they would be enabled, not only to supply the demand here for manufactures, but also effect more extended sales on the continent. They did not reflect, that thereby, and of necessity, they would destroy their home market to an extent far exceeding the amount of these imports of foreign corn. And, moreover, it has been distinctly shewn, that, beyond what may be an equivalent for the returns upon hoarded labour, the sales of our manufactures, and of the returns obtained by their export, must be bounded by the sum of the sale prices of the produce of our soil.

All our other comforts and enjoyments are bounded by the extent and produce of our agriculture ; and there is a high gratification in maintaining this doctrine of Adam Smith. There is a great source of comfort in believing the truth of this assertion of the “great Newton of political economists.” There is a sweet contemplation in the thought,—that the denunciations of the Almighty are ever tempered with mercy,—that from the curse upon man, that he should earn his bread by the sweat of his brow in tilling the ground, there springs forth the chief source of all that cheers and gladdens him in this world. Viewed in this light, it becomes a promised blessing, and not a curse. It

is the promise to man, that in the full employment of his mental and physical powers in the faithful discharge of his positive, and relative duties, there is not only a sure reward in the next world ; but the assurance also of increased delights and enjoyments in the present stage of his existence. But, after the fashion of the day, we spurn from us all the blessings, which kind Providence has scattered around us, seeking after the vain imaginations of our own erring minds.

The mill-owners, for the most part, display considerable general intelligence, and great acuteness in matters connected with their own calling ; but having taken to meddling with subjects, which they do not understand, no class of men has ever exhibited greater follies and errors, than they have done ; as injurious to their own interests, as they are prejudicial to the wellbeing of the rest of the community. They have got quite out of their proper sphere. By the aid of Sir Robert,—who himself occasionally loves to roam abroad upon stilts, in order that he may be better able to see and be seen, whether at a railway meeting, or at a school meeting,—they have contrived to get also mounted upon stilts, greatly to the detriment of their general usefulness, and alike detrimental to their own natural powers of beneficial employment. They cannot, like other men, stoop to pick up anything useful, or ornamental, which may chance to fall in their way ; they can only make wide strides into vacuity, just as do their arguments ; but all to no good purpose. For their own good, if not of necessity for the public good, they must be compelled to dismount ; they must be

made to walk on *terra firma* as other men do, and to take their proper place very far lower down in the scale of British interests, than that from which they have recently affected to look down upon us. After they have been brought to a proper sense of their folly and errors, their past presumption will no doubt be greatly moderated. When they are brought to think upon the extent of misery and suffering which they have brought upon their fellow-creatures, upon vast masses of the working-classes, it may be expected that they will learn greater moderation, and more decent propriety of conduct. It may be expected that they will hide their diminished heads for at least some time to come ; and that they will give up their foolish parliaments which have become a perfect nuisance to society. It may be hoped that they will give up their time and care henceforward to their own business concerns, for which they are much better suited. For they may depend upon it, that they will find quite enough to do at home, when the working-classes have had a little more experience of how much they have been deceived by them, and how greatly their interests have been sacrificed by the foolish proceedings of these provincial parliaments.

This is what these mill-owners have done. With a view to increase the number of their spinning-jennies, they have forced us to take imports of foreign corn. Whereby only one-half the labour is set in motion, which would find employment by the exchange of their manufactures for British grown corn, obtained here at a much less specific cost ; therefore much cheaper, than the corn we should import. Whilst, in

thus diminishing the employment of the working-classes, they cannot possibly make any gain for themselves ; for thereby their sales in the home market will be reduced beyond the extent of their imports of corn, in money value. Monopoly the first.

With a view to extend the numbers of their spinning-jennies, they have compelled us to give up to foreign nations that blessing, which kind Providence affords as the reward of well applied labour ; to give up to foreign nations that one-third of the produce of the soil, which affords higher wages to the active and skilful operative ; to give up to foreign nations that fund, upon which we have mainly to depend for the means of employment for our increasing numbers. Whilst they destroy the home market for themselves to a still greater extent. Monopoly the second.

As regards the means employed, with a most insane view to extend the sales of their plain and printed calicoes and muslins ; or as they themselves most foolishly and ignorantly explain their own meaning, in order that “the people of Lancashire may spin and weave as cheaply as any on the face of the earth” (as if they always had not done so, and still might very much more effectually continue to do with corn-laws, than without them), they have forced measures upon us for reducing still further our scale of market prices, at least one-third. The money wages of the working-classes, when employed, will not only then be reduced at least one-third, but the extent of work afforded to them will be further diminished more than one-third ; and severe distress and suffering will be brought upon them, in consequence of the great reduction alike in

our home, and export trade, necessarily produced by their foolish measures. Monopoly the third.

With a limited extent of territory in these kingdoms, but with extensive colonies, most valuable to us as an outlet for our increasing numbers, and as a means of greatly extending our export trade ; these mill-owners, with a most mistaken view to extend the sales of their manufactures, have forced measures upon us, which destroy all the value of our colonies, and which, by destroying the interests of the colonies themselves, are likely to lead to our losing them altogether. Monopoly the fourth.

Such are the proceedings of misguided and unthinking men, who with professions of pure patriotism on their lips, covertly attempt to carry out their own sordid and mercenary views, at the sacrifice of all the best interests of the country, and of the wellbeing of the working-classes. Such are the proceedings of men, who, with others acting upon similar motives, have chosen from their numbers (the intelligent and acute part of them it cannot well be) members from the provincial parliaments at Manchester, and at Liverpool, who set themselves up for the management of the affairs of the nation upon right and just principles. But whose proceedings have shewn nothing but folly, error, and injustice ; exhibiting utter ignorance of the most common principles of political economy, as taught by Adam Smith and the like ignorance of the first principles of trade, by which they earn their bread. Mr. Cobden's great moderation at the temporary triumph of his particular views did produce a strong belief, that, however erroneous, they were still

the result of deep conviction, and of pure motives; therefore entitled to respect, which would have been most willingly afforded to him, widely as we differ from his opinions. The evils resulting from them might have been left to work out their own proper cure. But now that he has chosen to damage his fair fame, by giving his adherence to the viciously factious acts of the Liverpool provincial parliament, he must take upon himself all the responsibility of giving, to the world, a new edition of the art of sinking. And he must expect too that it will become the subject of fair criticism, as to the merits of its execution.

The first act of the Manchester provincial parliament, was to give circulation to the foul calumny, that the landed proprietors acquired their large incomes, by producing privation and suffering amongst the humbler classes. And, as had been fully calculated upon, honourable and just-minded men instantly shrunk from the risk of having such an imputation cast upon them. Thereby the Manchester parliament attained its aim; and under pretence of putting down a monopoly which did not exist, it established a virtual monopoly for its own members, and adherents, the most injurious to all the best interests of the country, and to the wellbeing of the working-classes, that could possibly have been set on foot. And urged on by the like unholy views of attaining their own ends by spreading disaffection and insubordination, the Liverpool parliament has had the shameless audacity to open out its proceedings, by charging honourable, just, and high-minded gentlemen, the chief officers of the army, with peculation and extortion.

A near relative, who unobtrusively, yet most diligently performed all his positive and relative duties in a truly Christian spirit, used to say; that he never could hear any unusual parade of religious sentiment and feeling, without, somehow or other, having an unconscious instinctive impulse to button up his breeches pockets, after feeling that his purse was safe. And following up the like idea through life, I have never heard prudish professions of high patriotism, accompanied with slanderous aspersions upon the conduct of others, such as both of our provincial parliaments have made, without feeling the necessity of keeping wide awake, and being prepared against some dirty underground work, which was sure one day or other to come to light. We do not judge of men by their professions, but by their acts. It is not length of purse, but an innate sense of propriety in thought, word, and deed, which constitutes a true gentleman; and most happily there are as many true gentlemen to be seen in the humbler walks of life, as there are to be found amongst the higher classes. Neither is it exterior garb, nor exterior polish of manners, but the earnest avoidance of giving even the semblance of unnecessary offence to the feelings of others, in their opinions, habits, or modes of life, which constitutes the perfect gentleman; and it most unfortunately happens, that, relatively also to their comparative numbers, there are just as many foul-mouthed offensive fellows to be found in the higher walks of life, as there are to be seen amongst the humbler classes. An upright-minded man tacitly allows others to be influenced by the same honest and virtuous principles, which regulate his own

proceedings ; at least until he finds them to be otherwise actuated. And none affect greater unnecessary prudery, than those, who are conscious of having lost their own virtue. Any idea of prudery can never enter into the mind of a truly virtuous woman.

The remuneration given in emoluments to the colonels of regiments is a very poor one for their length of service ; more particularly considering the high responsibility imposed upon them. It is not one-half the remuneration given to civilians living at home at their ease, with far less responsibility attached to their office. Their emoluments are not one-half those given by the East India Company to their superior officers, out of the off reckoning fund ; although the Queen's officers may have spent as long a period of their life in active service in the East, or in the still more ungenial climate of the West Indies. And strange as seemingly may be the mode, by which the colonels are paid their emoluments, I for one cannot but believe it to have been originally based upon some sound principle. I can believe it to have been deemed expedient, that the lieutenant-colonel, and his subalterns, who will ultimately succeed to the fund when they get a regiment, should in the mean time be charged with the trouble of a certain supervision of its details. I chance to know something of the supervision of the supplies for the public service during the *palmy* times of war ; and I chance to know something also of the supervision given to them since the peace,—totally different from what it was, and now wholly unobjectionable. Yet even now I would not consent to the supervision of the whole of the regimental supplies by

one or more civilians ; who, according to their ability, might perform their duties wholly right, or wholly wrongly. I believe, that a larger amount of justice will be done to the soldiers, by the present mode of supervision in each individual regiment, than could be effected by civilians. I believe it to be for the good of the public service, that the soldiers should see, and be made to feel, that their wants and comforts are strictly attended to by their officers ; and that a right and perfect good-feeling should thus be produced amongst the parties, which could not possibly result from their supervision by civilians. Believing that we have to deal with honourable and just men, I for one would not consent to any change in the present proceeding ; and I cannot suppose any other, than a mind of the basest description, could possibly contrive to attach any foul calumny to them.

It was one thing for the provincial parliament at Liverpool to object fairly to the way, by which the superior officers of the army were paid ; and quite another to charge them with peculation, and extortion, upon receiving their small emoluments. The first was of little consequence to these provincials, and could only become suitable for their purposes by the addition of the second, the latter betraying full evidence of bad intentions ; were it nothing more than,—that now becoming conscious of the utter fallacy of the measures of the Manchester parliament ; and finding that they have not, and never can possibly realize the expectations of high benefit, that had been promised from them ; they were determined by a show of boldness to put a stop to any inquiry into their disastrous effects.

Their language is sufficiently explicit ; “ there shall be no such inquiry, *we* are in power upon the question, and besides we have contrived to cut out other matter, quite sufficient to occupy all your spare time and attention.” But such language most strongly shews, how desperate they had become upon the conviction of the very slender chance there is, of their being much longer able to sustain their feigned characters, as the patriotic reformers of the age. And it is equally clear, that they will e’er long be made to feel, that their boasted power is nothing beyond that of the frog in the fable, the power of swelling out and bursting themselves by their presumption and folly.

When called upon to retract their foul calumny, these Liverpool people did not come forward, like honest and just men, fully, manfully, and openly, acknowledging their errors. They did make a sort of retraction, but at the same time, like sneaking foul-mouthed offensive fellows, they repeated all their details, with a view of still fixing, upon the minds of the unthinking multitude, the truth of their original charge ; and they have since repeated the same course of proceeding. Such proceedings are not only most disgraceful to those engaged in them, but they are also a disgrace to the nation, a disgrace to the age in which we live ; and if they cannot be put down by the strong hand of the law, as the French have put down their viciously factious clubs, a stop should be put to them, by the still stronger power of loudly expressed general execration.

In the annals of the history of the world, since the period of its creation to this time, there is not perhaps,

save that given by France, any record of another instance of such great insanity, as has been shewn here. There is not any record of any such extraordinary *felo-de-se*, as that of the bulk of the people of a whole nation allowing themselves to be so easily persuaded to cut their own throats ; and equally singular, is their paying too their chief adviser so very handsomely, for such strange counsel.

However necessary they may be, for the purpose of settling the points of a previously ill-considered subject, mankind hate long arguments. Men in general hate to be made to think ; more especially upon subjects connected with their own immediate interests, which they fancy they do understand much better, than any other person can. They much prefer superficial views of things ; or, as Mr. Cobden knows full well, for therein is the secret of his art, they still more prefer short abstract propositions, which are made to tingle pleasingly on the ear, however inappropriately rendered to the other senses of man, duly exercised. Of such Mr. Cobden's private stock in trade is composed ; and right or wrong, just or unjust, sound or unsound, sense or nonsense, it is one and all the same, provided that the strange compound be made to tingle pleasingly on the ear of the unthinking multitude. It is like a blind fiddler, or like one having eyes, yet neglecting to make a proper use of them for any good purpose, who has learnt to play only by ear. He may well perform what he has learnt, and may obtain great applause, more especially from those, who do not understand music. But having neglected to take the

trouble of learning to read music at sight, he is no musician, he cannot be generally useful, he cannot assist in concerted pieces, or in producing compound harmony. So likewise Mr. Cobden is no political economist. He has neglected to take the trouble of learning the common rudiments of the science, as taught by Adam Smith; and he is equally ignorant of the principles, upon which the trade of the country is carried on,—loudly and vehemently as he talks about them. And, although his speeches are certainly made to tingle very pleasantly upon the ear of the unskilled multitude of the unthinking; yet he cannot assist in producing harmony in the industrial movements of the people; all his attempts at it have ever ended in his effecting the most perfect discord, from the strange wildness in the style of his performance; and he is of no use, but to aid, as he most powerfully does, the unrighteous movements of the provincial parliaments.

It is most desirable, that a brief abstract view should be given of the results, flowing from our past and present banking, and trade regulations; in a form sufficiently intelligible to all classes of the community, and in terms, such as all can comprehend, and clearly lay hold of. But, from the want of sufficient data, the requisite postulates are so many, that any honestly given statement must remain, still subject to fair objections as to its perfect correctness,—although sufficiently correct to form the ground for a right general judgment on the subject. It is therefore worth while to make the attempt, as thus.

It is assumed, that the money income of the nation in 1845, that is the money sum of the produce of the

annual labour of the people, was 500 millions sterling, of which 150 millions consisted of fixed money incomes—that the population in 1845 had increased 45 per cent. beyond what it was in 1815, as indicated by the returns in 1811, and in 1841—that the average prices of our manufactures in 1845 were 63 per cent. less than in 1815, as indicated by the returns of our exports, in quantity and money value, at these periods—that the average price of wheat in 1845 was one-third less than in 1815, the average price for the fifteen years, ending 1815, having been 84s. 10d. per quarter, and 56s. 2d. on the average of the fifteen years ending 1845—that allowing 30 per cent. of the fall in the prices of our manufactures to have arisen from improvement in machinery, and from increased chemical knowledge, the fall in our scale of market prices in 1845 was 38 per cent. below what it was in 1815—and that, relatively to our comparative numbers at both periods, there was the like quantity of labour set in motion in 1845, as there was in 1815. The sum of our taxation in 1845 is taken at 54 millions sterling, and at 70 millions in 1815. And working, as by the chain rule for finding the proportionate rates of the foreign exchanges; therefore cutting off equivalents on both sides, or what has been deemed to be such, there remain the above data and postulata for ultimate calculation; and the results afforded by them are thus shewn for general consideration.

That, relatively to their money incomes at both periods, the 54 millions sterling raised in taxes from the 28 millions of people, in 1845, were just $22\frac{1}{2}$ per cent. more, than were the 70 millions paid in taxes by

the 19 millions of our population in 1815, out of their proportionately larger incomes.

That, the reduction of 38 per cent. in our scale of market prices in 1845 (caused chiefly by our false system of banking, and latterly in a small degree by our free trade measures) has not only produced this increased burthen of 22½ per cent. in our taxation ; but has also effected a division of the money sum of the produce of the annual labour of the people, widely different from that existing in 1815 ; by which the condition of those holding fixed money incomes in 1845 had become very much improved, whilst that of the rest of the community had been greatly deteriorated.

That, with the taxation calculated as a per-cent-age rate upon income, the means of the rest of the community, exclusive of those having fixed money incomes, were reduced in 1845 within a fraction of 50 millions sterling, even with a great reduction in the prices of their customary wants. To this extent, at the least, was their condition deteriorated, and to this extent, at the least, was their command over the general markets of the country reduced, even at the lower prices, below what it was in 1815, at the then very much higher prices ; but,

That, with the revenue raised, as at present, mainly by duties upon articles consumed, but for the right calculation of the effects of which there are no correct data, the condition of the rest of the community must have been deteriorated in 1845 at least 60 millions, if not more ; and,

That, whilst the deterioration in the condition of the

rest of the community, exclusive of those holding fixed money incomes, has been to the extent of at least 60 millions ; still it has not pressed equally on all of them. The greatest sufferers by it are the working-classes, and the lower part of the middling classes, those who, from their greater numbers, are by far the largest consumers of the articles, which pay the highest duties. Any deterioration in the general condition of the people has ever pressed most heavily on them ; and just according to what their condition may have been at the time, so has the extent of the public revenue ever varied, and so it ever will vary.

The mode of calculation may not, but this statement of the results, arising from it, must surely be within the clear comprehension of all classes of the community. And although, from want of sufficient data, it may not be perfectly correct ; still it is honestly believed to be a very near approximation to the truth.

Now, the condition of the people in 1848 was much deteriorated from what it was in 1845, as chiefly caused by our deplorable system of banking, but in no small part also from the further operation of our free-trade measures. Our scale of market-prices in 1848 was much reduced below what it was in 1845 ; how much cannot be shewn until the whole of the corrected returns are published, some eighteen months or two years hence. Consequently, the burthen of our taxation was proportionately increased ;—a still more unjust division was effected, amongst us, of the money sum of the produce of the labour of the people ; whereby the condition of those having fixed money incomes was further improved, whilst that of the rest of

the community was greatly deteriorated ;—therefore there was a diminished demand in the general markets of the country, with consequent loss of employment to the working-classes, and large masses of them were thrown into a state of much suffering :—and as a matter of course, under such circumstances, there was a falling-off in the public revenue.

Upon such grounds it is easy to understand, why, with upwards of 400 millions added to the wealth of the country, we had a difficulty in 1848 to obtain out of the labour of the people, increased just one-half in numbers since 1815, not one-half the amount of revenue ; that, relatively to our comparative numbers at both periods, we obtained with ease in 1815, from the produce of the labour of our then much smaller population. In any other view of it, the matter is wholly inexplicable ; but, if the above statements are held to be correct, and it will be very difficult, if not impossible to refute them, then the whole subject appears intelligibly clear, and explicit.

With so much of past experience made clearly manifest to us, we can better judge of our prospects for the future under our free-trade measures, which have now to be considered.

The abrogation of our corn-laws, and differential duties, must ultimately, and of necessity cause a material further decrease in our scale of market prices ; and therefore not one of the advantages, which were promised from their repeal, can possibly be realised. The working-classes may, from the free imports of foreign corn, obtain their food at a much less money cost, but not cheaper ; for we produce food here at a

much less specific cost, that is much cheaper, than is done in any other of the European states; and there are the additional expenses of bringing the foreign supplies here, independent of their being dearer at the place of shipment, than is the corn produced on the spot here. Moreover, just as the money cost of the labourer's food is reduced, in the same proportion must the rate of money wages be lowered, for otherwise there could be no sale for the products of the operative's labour; and, with the burthen of their taxation greatly increased, the working-classes would lack employment. For from the greatly increased burthen of taxation brought upon the community (with the exception of those having fixed money incomes) by a low scale of market prices; and from the very unjust division of the money sum of the produce of the labour of the people thereby effected: the demand in the general markets of the country would be greatly diminished. The working-classes would lose one-third, if not more likely one-half the employment, which they have had, and would still have under a high scale of market prices; and they would be driven to the use of the coarser food of bygone ages, and such as is still used in many parts of the continent.

Neither can there be any increase given to our export trade, but on the contrary there must be a material decrease. Mr. Cobden must have some oddly queer notions, as to producing cordiality and good-will amongst the various nations of the world, from increasing the feeling of their mutual dependence upon each other for a large part of the comforts and enjoyments in each, by means of unrestricted trade.

The idea is in itself a right good one ; and the oddness of Mr. Cobden's notions about it consists in this : That, not understanding the subject, either as to its principles, or details, he has persuaded the nation to adopt the most effectual means in its power, for defeating his projected views. For, granting what is not likely to be the case, that equal quantities of British manufactures, and of foreign productions, will be exchanged for each other under a low scale of prices, as there has been under a high one ; still, by reducing our scale of prices here, we must also reduce the prices of the surplus products of the labour of the foreign nations in their markets, we being the largest purchasers in most of them. And, thus reducing the prices of the surplus quantity, we should consequently reduce the prices of the whole of their labour ; therefore we should effect a reduction in their rate of wages, and consequently also in their scales of market prices, to their great injury ; although in a far less proportionate degree, than would be the reduction here. Whilst, with the reduction here, the command of our population over the markets of the country would be greatly diminished ; and to the like extent would our consumption of foreign productions fall off. We should diminish the power of foreign nations to take our manufactures ; and at the same time, but in a greater degree, we should diminish our own power of consuming their productions ; and from these joint causes, our export trade would be reduced, not extended. There would be a great reduction alike in our export, and home trade, to the great injury of the interests, more particularly, of the working-classes.

According to Mr. Cobden's strange notions, and in the new philosophy of the day, it seems to be thus considered ; that the best way of producing cordiality and good-will with foreign nations is, to do them a great injury. Something like the principle falsely so called, that the more a man may ill-treat a woman, the stronger does her love become towards him. Having once truly loved him, she may cling to him in the hope of saving him from himself ; but, respect for him being once destroyed, all love, all affection is gone for ever. And so likewise, our present measures must destroy all the respect, which foreign nations have heretofore entertained towards us ; they may bear with us as suits their purpose : but all cordiality and kindly feeling must cease, until we change these measures ; and change them we must.

It may be contended, that the corn-laws were repealed in 1846. That the period when differential duties should cease having passed, we can now judge what the effects of their repeal must be ; and simultaneously with the free import of foreign corn, we find our trade again increasing, with fair prospect of further amendment. But stop a little, before you say so, and reflect. That, after the great convulsion in 1847-48, it would be most strange, if there were not now some temporary reaction. That there ever have been, and ever will be variations in the extent of our trade ; change of seasons would alone produce them ; but that, with such variations continuing, the effects of our present measures must be to effect a general tendency downwards for the worse. Reflect further, that three successive failures of the potato crops have tended to

uphold the prices of corn ; whilst the expenditure in the formation of railways has set nearly as much labour in motion, as would have been done, by our export trade having been doubled in extent. These two causes have, for the time, hindered us from judging what the real effects of the repeal of the corn-laws ultimately will be. Our colonies have been made to feel deeply the effects of the removal of differential duties ; but not yet to the full extent of their sufferings, when, after the railways are completed, and after two or three abundant harvests in Europe, *we* shall be made to feel here, what the effects of the repeal of our corn laws really are.

The most, that we can then expect, must be, that our scale of market prices will only be reduced to the level of that existing in France, previous to 1845 ; and it has been already shewn how greatly the interests of the people would be damaged by such a reduction in our scale. The condition of the working-classes would then be deteriorated at least one-third, below what it was in 1845 ; but how much more, must be in a great measure conjectural.

Because, although we have a certainty in the experience of the past to guide us ; yet that was a fall of 38 per cent. from a very high scale of market prices, to a moderate one ; and we have no experience to shew us, what will be the certain effects of a further fall of $33\frac{1}{3}$ per cent., from a moderate to a low scale of prices. We only know, that, by a decrease in our scale of market prices, the burthen of our debt is increased in the inverse ratio of our ability to bear it ; that, as the burthen of our debt is increased, our

money incomes become reduced even in a still greater ratio, increasing our difficulties. From the past we see, that, the condition of those holding fixed money incomes was bettered in 1845 by more than 58 per cent., beyond what it had been in 1815 ; whilst the means of the rest of the community were reduced $14\frac{1}{4}$ per cent., by this fall of 38 per cent. ; and to this extent was their power of supplying their customary wants diminished, even at their much lower money prices. And as respects the future, we see from the fourth set of tables, that, with the taxation charged as a per-cent-age rate upon income, and presuming the same quantity of labour to be set in motion as before, the condition of the rest of the community will become deteriorated upwards of 20 per cent., by a further reduction of one-third in our scale of market prices, below what it was in 1845. And we see in the fifth set of tables, that the deterioration in their condition will be $24\frac{2}{3}$ per cent. ; but with the taxation raised as at present, their condition must become deteriorated at least one-third. Still we have no certainty that the fall in our scale of market prices will not be beyond one-third, or below the scale prevailing in France previous to 1845. We have no experience to shew us what may be the fearful effects produced by our great debt under a low scale of market prices ; and from its heavy pressure, our scale here may be reduced to the level of the average of the scales of prices prevailing in the other European states. Thereby the condition of our working-classes would be further deteriorated ; and it is greatly to be feared, that their means of supplying their customary wants, even at their reduced

prices, would be diminished one-half, unless we take measures to prevent it.

One thing is however sufficiently clear. That if, with a fall as in 1845 of at least 38 per cent., and more probably of 45, if not 50 per cent. in our scale of market prices in 1848, we could not raise more than 52 millions in taxes; or, relatively to our comparative numbers at both periods, barely one-half the amount which we obtained with ease from our smaller numbers in 1815; then with a further fall of one-third in our scale, below what it was in 1845 (the least that we can expect, when the effects of the repeal of our corn-laws and differential duties shall come into full operation) we should not be able to raise more than 42 millions in taxes. It is very questionable, if we should obtain a revenue to anything like that amount by our present mode of raising it; nor otherwise, than after the mode recently adopted in France, by an increase of 45 per cent. on the taxes of those holding real property. Where then should we obtain the necessary provision, for the payment of the interest on our great debt, and for the expenses of our government? The latter necessarily much increased, in consequence of the dangerous state into which the country would then be plunged. Although many improvements are still required to be made in the civil department of the public service, it would be an act of madness to reduce our military force; for, if we are to continue our present free-trade measures, a much larger home army would be required; and those only propose a reduction, who have brought us into our present state, acting like drowning men catching at straws.

Such are the inevitable results, to which the prosecution of our present measures tend. The free-traders have truly cut their own throats ; and no one can entertain a single spark of pity for them, from its being the effect of their own selfish and mercenary proceedings,—to the utter disregard of the interests of the rest of the community. We can only deplore the evils which are thereby brought upon the working-classes ; and, for their sake alone, we must at once change these measures, unless we choose to wait until a change will be forced upon us, under far less favourable circumstances than at present.

It has been deemed necessary to enter into a lengthened and wearisome discussion, in tracing the errors with regard to value, and to the principles of banking and of general trade, which have been allowed to enter into the question upon free-trade and differential duties. But, with so much effected, and that by the aid of a few figures, the question becomes at last resolved into its most simple elementary form ; then the very simplicity of its form tends to produce conviction of its truthfulness, and we see at once all the vast evils, which must result from the prosecution of the present erroneous free-trade doctrines.

The prosecution of these false doctrines is now become a mere question of time ; if from the first it was anything beyond a question as to the extent of the patient endurance of a great evil, with the period of suffering now somewhat shortened. Whether it may, or may not be in our power hereafter, it is still reserved to us to choose between good and evil. And after the bitter experience, which we have had, it has

now become a subject-matter dependent alike upon the humane feelings of the public, and on their sense of justice ; whether they will longer allow vast masses of the working-classes to remain in their present state of suffering, with the certainty of that suffering being greatly increased by the acts of misguided men. Of the choice of the majority there can be no question, when, by getting rid of our present measures, we can, by corn-laws and proper differential duties, return to our pristine state of strength and vigour ; — when thereby we shall be enabled to obtain a large increase of revenue, with at the same time the burthen of our heavy public debt diminished, just in proportion to that increase, the very reverse of what we are now made to feel ; — when thereby we shall be enabled to effect a just division amongst us of the money sum of the increasing produce of the labour of the people, spreading ease, comfort, and enjoyment amongst all classes ; — and when the foreign nations, with whom we trade, will be made to participate in the blessings, which we should thus confer upon ourselves, increasing their cordial good feelings towards us.

Moreover, if men of all parties here could be brought to co-operate in the movement of such desirable ends, we should present a grand spectacle to the world, that of a nation quietly returning to a due sense of its own true interests. This could not fail of producing a powerful moral effect upon public opinion, throughout Europe, greatly to be desired at the present time ; and doubtless it would tend to generate peace and goodwill amongst the people of the different nations of the earth.

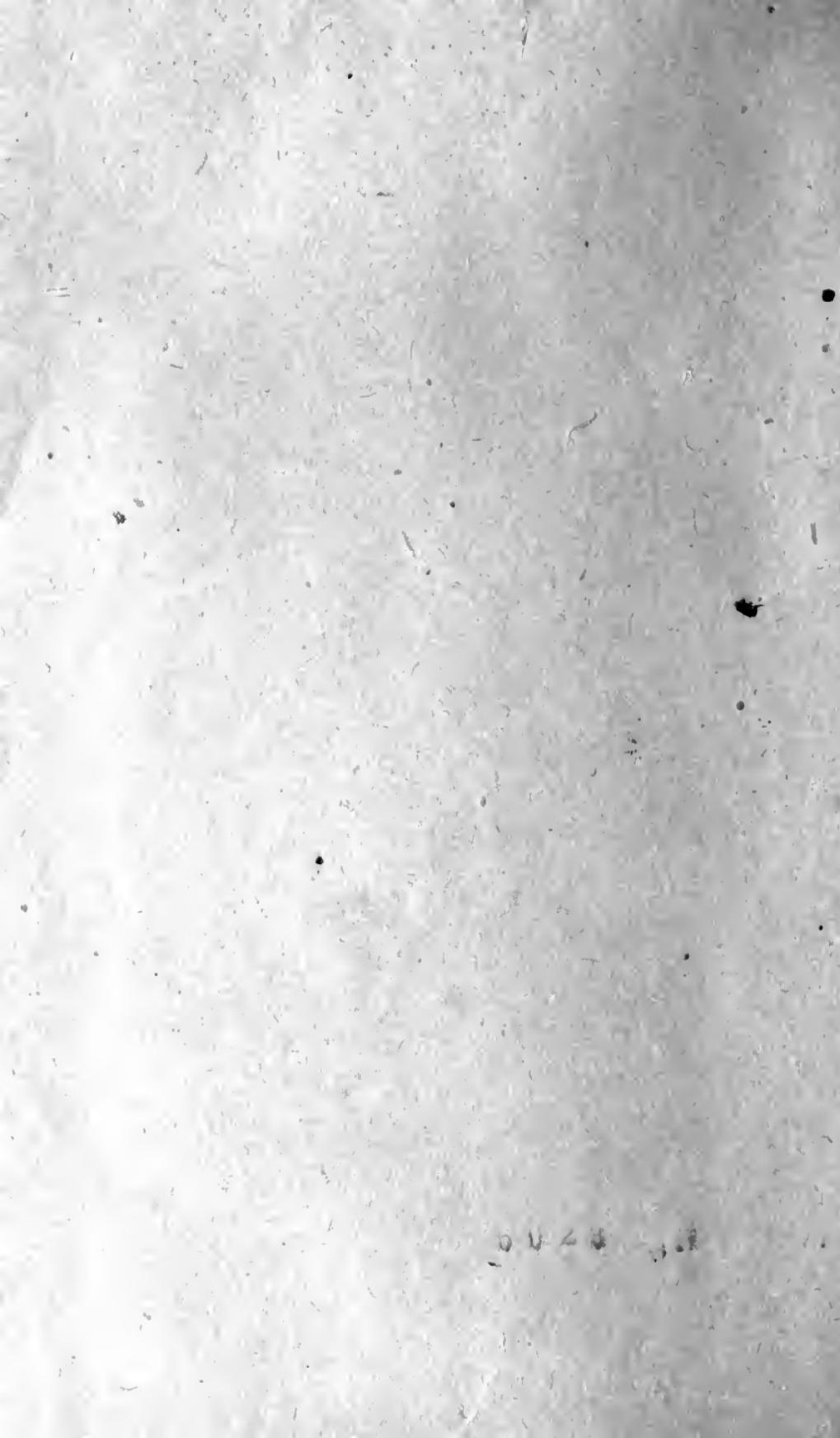
At the period when the corn-laws were being repealed, men's minds were so inflamed ; the feelings, and the passions of many were so excited, under their then altered circumstances, so very different from what they had formerly been ; that there was no chance of successfully appealing to their judgments. The doing so must then have been to as little purpose, as would have been the addressing the inhabitants of the moon. However their repeal has been tried, and found wanting, as could alone have been suspected. The evils caused by it have been great, more especially to the interests of the working-classes. Yet we have the satisfaction of thinking, that, by the trial, we shall get rid of what might otherwise have ever remained, as a *vexata questio*. It might be desirable, that the free traders should be made still to feel something more of the effects of their own handywork. But the further injury, thereby brought upon the working-classes would be so great, as to render the experiment a most dangerous one, in the present excited state of Europe.

The injury so far done is not yet irremediable. We can now not only address men's judgments, but we can also appeal to their experience ; and to the latter appeal especially they may now listen, having paid dearly for it. We can now distinctly refer to the effects of their past errors ; and also shew them the far greater evils, which they have entailed upon themselves, unless they retrace their steps. It can be clearly shewn, how, by a change of trade measures, e'er it be forced upon us under less favourable circumstances, and under a sound banking system, we can speedily return to our former state of high pros-

perity, with even much increased commercial power,—by the interests of our extensive colonies being duly regulated, in accordance with their clear rights, and our deep interest in them.

With such views, the foregoing detached scraps and sketches are offered to the notice of the public. It is specially desired to be clearly understood, that they have not been penned for any party purpose. The writer has throughout life most studiously avoided all party politics. They are given as the sincere convictions of one, who, for now more than thirty years, has closely and continuously watched the ever-changing, yet frequently distressed condition of the working-classes; and who has thought much upon the causes of it. They are given as a part of the conclusions, arising from that study. If they should be favourably received, then the argument will be given in more complete detail. But, unfortunately for general readers, it is a very long one; even when curtailed of much of its just proportions.







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